



**REGULAR WORK SESSION & MEETING
OF THE CITY COUNCIL**

February 23, 2016

ADDISON TOWN HALL

**5300 BELT LINE RD., DALLAS, TX 75254
5:30 PM DINNER & EXECUTIVE SESSION
6:00 PM WORK SESSION
7:30 PM REGULAR MEETING**

Executive Session

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1. Closed (executive) session of the Addison City Council pursuant to:

Section 551.071, Tex. Gov. Code, to conduct a private consultation with its attorney(s) on a matter in which the duty of the attorney(s) to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551, Tex. Gov. Code, pertaining to

- **Past Separation Agreements**

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2. **RECONVENE INTO REGULAR SESSION:** In accordance with Texas Government Code, Chapter 551, the City Council will reconvene into Regular Session to consider action, if any, on matter discussed in Executive Session.
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WORK SESSION

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3. Discuss The **Proposed Increase To The Addison Airport Fuel Flowage Fee To Be Effective April 1, 2016.**
 4. Discuss The **Replacement Of The Proposed 2016 Police Patrol Fleet.**
 5. Discuss The **2016 Taste Addison Special Event.**
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REGULAR MEETING

Pledge of Allegiance

Announcements and Acknowledgements regarding Town and Council Events and Activities

Discussion of Events/Meetings

6. Public Comment.
The City Council invites citizens to address the City Council on any topic not on this agenda. Please fill out a **City Council Appearance Card** and submit it to a city staff member prior to Public Participation. Speakers are allowed **up to three (3) minutes per speaker** with **fifteen (15) total minutes** on items of interest or concern and not on items that are on the current agenda. In accordance with the Texas Open Meetings Act, the City Council cannot take action on items not listed on the agenda. The Council may choose to place the item on a future agenda.
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Consent Agenda:

All items listed under the Consent Agenda are considered routine by the City Council and will be enacted by one motion with no individual consideration. If individual consideration of an item is requested, it will be pulled from the Consent Agenda and discussed separately.

7. Consider **Approval Of The February 9, 2016 Regular Work Session & Meeting Minutes.**
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8. Consider A **Resolution Adopting A Public Information Act Policy For The Town Of Addison.**

9. Consider A **Resolution Increasing The Public Fuel Flowage Fee From \$0.12 To \$0.14 And The Non-Public Fuel Flowage Fee From \$0.20 To \$0.22 At Addison Airport Effective April 1, 2016.**

10. Consider A **Resolution Authorizing The Town Of Addison To Designate Representatives To The TexPool Local Government Investment Pool.**

11. Consider A **Resolution Authorizing The Town To Designate Representatives To The TexStar Investment Pool To Transact Business On Behalf Of The Town Of Addison.**

12. Consider A **Resolution Designating Representatives To The Local Government Investment Cooperative To Transact Business On Behalf Of The Town Of Addison.**

13. Consider Authorizing The City Manager To **Enter Into A Contract With HALFF Associates, Inc., For Design And Survey Services For Winnwood Pond Dredging Project** In An Amount Not To Exceed \$62,300.00.

14. Consider And Approve Authorizing The City Manager To Approve Final Payment To Pavecon Public Works, LP, For **The Rehabilitation of Addison Road** In An Amount Not To Exceed \$149,096.47.

15. Consider A **Resolution Authorizing The City Manager To Enter Into A Grant Funding Agreement With The Cavanaugh Flight Museum** In An Amount Not To Exceed \$50,000.00.

Regular Items

16. Presentation By Mr. Larry Kanter Of Kanter Financial Forensics, LLC **Regarding Status Of Engagement For Work Authorized By Council On November 2014.**

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17. Present And Discuss **The Crisis Communication Contract.**
 18. Discuss and Consider A **Resolution Authorizing The City Manager To Enter Into A Contract With Texas Coalition For Affordable Power (TCAP) To Provide Electricity For The Town For January 1, 2018 through December 31, 2022.**
 19. Presentation And Discussion Of The **Finance Department Quarterly Financial Review Of The Town For The Quarter Ended December 31, 2015.**
 20. Present And Discuss The **Consolidated Dispatch And The Simulcast Radio System Projects.**
 21. Present And Discuss **Policing Protocols For Underperforming Hotels.**
 22. Present And Discuss The **Town of Addison Police Department's 2015 Racial Profiling Report.**
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Adjourn Meeting

NOTE: The City Council reserves the right to meet in Executive Session closed to the public at any time in the course of this meeting to discuss matters listed on the agenda, as authorized by the Texas Open Meetings Act, Texas Government Code, Chapter 551, including §551.071 (private consultation with the attorney for the City); §551.072 (purchase, exchange, lease or value of real property); §551.074 (personnel or to hear complaints against personnel); §551.076 (deployment, or specific occasions for implementation of security personnel or devices); and §551.087 (economic development negotiations). Any decision held on such matters will be taken or conducted in Open Session following the conclusion of the Executive Session.

Posted:

Laura Bell, 2/19/2016, 6:00pm

**THE TOWN OF ADDISON IS ACCESSIBLE TO PERSONS WITH DISABILITIES.
PLEASE CALL (972) 450-7017 AT LEAST
48 HOURS IN ADVANCE IF YOU NEED ASSISTANCE.**

AI-1549

1.

Work Session and Regular Meeting

Meeting Date: 02/23/2016

Department: City Manager

AGENDA CAPTION:

Closed (executive) session of the Addison City Council pursuant to:

Section 551.071, Tex. Gov. Code, to conduct a private consultation with its attorney(s) on a matter in which the duty of the attorney(s) to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551, Tex. Gov. Code, pertaining to

- **Past Separation Agreements**

BACKGROUND:

N/A

RECOMMENDATION:

N/A

AI-1550

2.

Work Session and Regular Meeting

Meeting Date: 02/23/2016

Department: City Manager

AGENDA CAPTION:

RECONVENE INTO REGULAR SESSION: In accordance with Texas Government Code, Chapter 551, the City Council will reconvene into Regular Session to consider action, if any, on matter discussed in Executive Session.

BACKGROUND:

N/A

RECOMMENDATION:

N/A

AI-1504

3.

Work Session and Regular Meeting

Meeting Date: 02/23/2016

Department: Airport

AGENDA CAPTION:

Discuss The **Proposed Increase To The Addison Airport Fuel Flowage Fee To Be Effective April 1, 2016.**

BACKGROUND:

The Addison Airport fuel flowage fees (FFF) are currently set at \$0.12 per gallon for public fuel operators and \$0.20 for non-public fuelers for each gallon of fuel that is received at the airport fuel farm. A fuel flowage fee is the fee levied by an airport operator per gallon of aviation gasoline and jet fuel sold at the airport.

The public FFF has not changed since October 1, 1994, when Resolution #R94-079 was passed by City Council reducing the rate from \$0.145 per gallon of fuel received to the current \$0.12 per gallon received. In 2009, a non-public FFF was initiated for the fuelers who have a license agreement that allows them to fuel only those aircrafts that they own or that are under their direct operation control. This fee is currently set at \$0.20 and has not been changed since it was initiated. The higher FFF charged to this class of user is in recognition of the economic benefit accruing to the user from self-fueling.

Staff will provide a presentation regarding the proposal to increase the Addison Airport Public Fuel Flowage Fee from \$0.12 to \$0.14 and the Non-public fee from \$0.20 to \$0.22 to be effective April 1, 2016.

The increased fee is proposed in order to help address the increased cost of infrastructure upgrades and maintenance at the airport.

RECOMMENDATION:

Administration recommends approval.

AI-1543

4.

Work Session and Regular Meeting

Meeting Date: 02/23/2016

Department: General Services

AGENDA CAPTION:

Discuss The **Replacement Of The Proposed 2016 Police Patrol Fleet.**

BACKGROUND:

At the December 8, 2015 Council meeting, staff brought forward the Fiscal Year 2015-2016 replacement vehicles for the Town's fleet. At that time, the Council pulled 14 of the 15 patrol vehicles from the agenda item and asked staff to perform a Lifecycle Cost Analysis on the existing patrol fleet as well as compare other non-standard vehicle choices for possible use as patrol vehicles either for purchase or lease. The thought and idea behind this process was to see what, if any, cost differences there maybe and if so, if that cost difference could be justified to further enhance the brand of the Town. Staff has completed the analysis and would like to share this information with the Council.

RECOMMENDATION:

Staff requests direction from Council as to the purchase of the Patrol vehicles.

AI-1542

5.

Work Session and Regular Meeting

Meeting Date: 02/23/2016

Department: General Services

AGENDA CAPTION:

Discuss The **2016 Taste Addison Special Event.**

BACKGROUND:

Staff would like to provide the Council with an update on the upcoming 2016 Taste Addison Event and get Council feedback.

RECOMMENDATION:

Information only, no action required.

AI-1551

6.

Work Session and Regular Meeting

Meeting Date: 02/23/2016

Department: City Manager

AGENDA CAPTION:

Public Comment.

The City Council invites citizens to address the City Council on any topic not on this agenda. Please fill out a **City Council Appearance Card** and submit it to a city staff member prior to Public Participation. Speakers are allowed **up to three (3) minutes per speaker** with **fifteen (15) total minutes** on items of interest or concern and not on items that are on the current agenda. In accordance with the Texas Open Meetings Act, the City Council cannot take action on items not listed on the agenda. The Council may choose to place the item on a future agenda.

BACKGROUND:

RECOMMENDATION:

AI-1540

7.

Work Session and Regular Meeting

Meeting Date: 02/23/2016

Department: City Secretary

AGENDA CAPTION:

Consider **Approval Of The February 9, 2016 Regular Work Session & Meeting Minutes.**

BACKGROUND:

N/A

RECOMMENDATION:

Administration recommends approval.

Attachments

Minutes

OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL WORK SESSION

February 9, 2016

Addison Town Hall, 5300 Belt Line Rd., Dallas, TX 75254

5:30 PM Dinner & Executive Session

6:00 PM Work Session

7:30 PM Regular Meeting

Present: Arfsten; Carpenter; Heape; Hughes; Mayor Meier; Wilcox

Absent: Moore

WORK SESSION

1. Discuss The **Proposed Public Information Policy For The Town Of Addison.**

City Secretary, Laura Bell, presented the information regarding the proposed policy. She detailed that the policy was just putting the current practices into a formal policy for the Town. She also gave Council an update on the number of requests being completed by the City Secretary's Office.

Council had a few clarifying questions. Council agreed to move forward with a Resolution formally adopting the policy.

2. Discuss And Coordinate The **Council Calendar For March, April & May 2016.**

City Secretary, Laura Bell, presented the calendars for March, April and May to the Council. Listed on the calendars were regular Council meetings and some outside functions for the Council that were scheduled in advance.

Council agreed to the Council meeting dates and thanked Ms. Bell for providing the information.

No action taken or needed.

3. Discussion On **Open Carry Regulations At Special Events.**

City Attorney, Brenda McDonald, presented the item to Council. She stated due to the nature of the Town's Special Events, the Council could direct the Attorney's office to submit an Attorney General's opinion for those events. Because the events usually have a carnival or amusement aspect, the Town could ask for the Attorney General to give an opinion as to if there is an exception to Open Carry. Ms. McDonald stated that it would take approximately 30-40 attorney hours to complete this request if Council would like to move in that direction.

Council had a discussion and agreed to not request an opinion from the Attorney General. However, Council would like staff to come up with guidelines and ideas for additional security measures at the Town's events. This information will come back to Council on a future agenda. It will be discussed in Executive Session.

4. Discuss **Funding Options For The Addison Groves Incentive Agreement.**

Scott Neils, Interim CFO, presented the item. He showed Council 4 different options in funding the Incentive Agreement for Addison Groves.

Council stated they would like to see other options that would not put the expense of the project out to affect the tax rate or to deplete fund balances. Council would like staff to look at some type of self-amortizing schedule to pay for the project.

Council reminded the public that this project is not on a pay up front basis. The payment will be done as a reimbursement to the improvements the developer makes to the project. This will allow staff and Council to look at different options to fund the project.

Staff will bring the item back to Council at a future meeting.

REGULAR MEETING

Pledge of Allegiance

Announcements and Acknowledgements regarding Town and Council Events and Activities

Discussion of Events/Meetings

Consent Agenda:

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Motion made by Arfsten Mayor Meier stated that Item #8 would be pulled for separate consideration.

The motion was to approve Items 6,7,9,10 & 11.

Seconded by Hughes

Voting AYE: Arfsten, Carpenter, Heape, Hughes, Mayor Meier,
Wilcox

Passed

5. Public Comment.

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listed on the agenda. The Council may choose to place the item on a future agenda.

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6. Consider Approval Of The **Minutes For The January 18, 2016 Executive Session, January 18, 2016 Joint Meeting And Minutes For The January 26, 2016 Regular Meeting And Executive Session.**
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7. Consider An **Ordinance Ordering An Election On May 7, 2016 For The Purpose Of Electing Three (3) Council Members For Two (2) Year Terms Each.**
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8. Consider Authorizing The City Manager To **Enter Into A Contract With Icon Consulting Engineers, Inc., For Public Infrastructure Design Services For Vitruvian Phase V** In An Amount Not To Exceed \$311,065.00.

Motion made by Heape Director of Infrastructure and Development Services, Lisa Pyles, presented the item.

Council had a few clarifying questions regarding the contract.

Seconded by Carpenter

Voting AYE: Arfsten, Carpenter, Heape, Hughes, Mayor Meier,
Wilcox

Passed

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9. Consider Authorizing the City Manager to **Approve an License Agreement with Greenhill School for the Use of an Easement Area on School Property.**
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10. Consider Authorizing The City Manager To **Approve the Assignment Of Ground Lease #0330-6803 (William R. White) Commonly Known As 16101-16111 Addison Road To Dukes Ice House, LLC.**
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11. Consider A **Request From Duke's Ice House, LLC For The Consent For Structural Modifications To The Leasehold Improvement On Ground Lease #0330-6804 (Duke's Ice House, LLC) Commonly Known As 16101-16111 Addison Road.**
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Regular Items

12. Discuss And Consider Approval Of **Change Order 5 To John Burns Construction, Inc. For The Belt Line Road Underground Utilities Project** In An Amount Not To Exceed \$257,886.68.

Assistant Director of Infrastructure, Jason Shroyer, presented the item. He answered a few clarifying questions from Council.

Motion made by Heape

Seconded by Carpenter

Voting AYE: Arfsten, Carpenter, Heape, Hughes, Mayor Meier,
Wilcox

Passed

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13. Discuss And Consider A **Resolution Authorizing The City Manager To Enter Into A Contract With Gary Osier Presents, Inc., For Professional Services To Retain And Compensate The Band Perry As Performing Headliners For Taste Addison 2016.**

Motion made by Arfsten Director of Special Events and General Services, Mark Acevedo, presented the item to Council.

Deputy Mayor Pro Tem David Heape voiced his concerns that Council had not been involved in any of the planning of this event. He stated he would like to table the item to get a more detailed plan from staff on the entire event.

Mayor Meier also voiced the need to have an update from staff to Council on the event. Councilmember Hughes stated that he could agree with the statement.

Deputy Mayor Pro Tem Heape moved to table the item until staff could get more information to Council regarding the event. Councilmember Hughes seconded the motion. The vote was 3-3 for the motion. Mayor Meier broke the tie as a dissenting vote.

Council discussed the item further and compromised to allow staff to bring back the plan of action for the event at a future worksession.

Seconded by Carpenter

Voting AYE: Arfsten, Carpenter, Heape, Hughes, Mayor Meier, Wilcox

Passed

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14. Discuss **Zika Virus Public Health Information.**

Environmental Services Official, Neil Gayden, presented the item. He briefed Council in the number of cases in the area, Dallas County response to the virus and the response that will come from the Town if needed.

Council asked a few clarifying questions.

No action was taken. Information only.

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15. Discuss And Consider Action Regarding **New Open Carry Regulations.**

Chief of Police, Paul Spencer, presented the item. He gave an overview of the changes to the Employee Handbook and the possible changes in signage at Town facilities.

Council agreed to allow staff to move forward with the changes to the Employee Handbook. Council also stated they wished to have the signs denoting the Concealed Handgun language to be posted at Open Meetings. They agreed to not post for the Open Carry signage.

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16. Discuss And Consider Action Needed To **Adopt The Addison Athletic Club Master Plan.**

Deputy City Manager, Cheryl Delaney and Athletic Manager, Randy Rogers, presented the item. Mr. Rogers went through the recommendations made from feedback during the meetings with facility users, community members, committee members and the consultant.

Council agreed that the concept plan needed to get more citizen feedback before the final plan goes forward. Council would like staff to communicate with every mode possible to the users and the community surrounding the center.

17. Discuss And Consider Action Needed To **Select The Next Special Area Study And Impacts On The Master Transportation Plan For The Town Of Addison.**

Assistant Director of Development Services, Charles Goff, presented the item. He gave a brief synopsis of how this Special project area could possibly affect the Master Transportation Plan project.

Council agreed that the Inwood Road project would be the next Special Area study to be completed. Council member Arfsten made a motion to approve Inwood Road as the next Special Study Area. Deputy Mayor Pro Tem Heape seconded the motion. The vote was cast 6-0 in favor of the motion. Council reiterated their concern with communicating the need for citizen feedback on the Special Area Study and the Master Transportation Plan.

Staff agreed that a major communication campaign would be put into effect for both project. More meetings will be budgeted and planned with the consultants to meet with the public.

Executive Session

-
18. Closed (executive) session of the Addison City Council pursuant to:
- Section 551.071, Tex. Gov. Code, to conduct a private consultation with its attorney(s) on a mater in which the duty of the attorney(s) to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551, Tex. Gov. Code, pertaining to
- **Sales Tax Collection**
 - **The ponds or lakes at Vitruvian Park, located within the vicinity and east of the intersection of Vitruvian Way and Ponte Ave, and Farmers Branch Creek**
 - **Town of Addison v. Landmark Structures I, L.P. and Urban Green Energy Cause No. DC-15-0761 44th Judicial District Court, Dallas County, Texas**

Council convened into Executive Session at 5:35 pm.

Council recessed from Executive Session at 6:35 pm.

Council reconvened into Executive Session at 9:30pm.

Council adjourned from Executive Session at 10:22 pm.

No action was taken.

Reconvene from Executive Session

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19. **RECONVENE INTO REGULAR SESSION:** In accordance with Texas Government Code, Chapter 551, the City Council will reconvene into Regular Session to consider action, if any, on matter discussed in Executive Session.
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Adjourn Meeting

Mayor Meier adjourned the meeting at 10:23pm.

NOTE: The City Council reserves the right to meet in Executive Session closed to the public at any time in the course of this meeting to discuss matters listed on the agenda, as authorized by the Texas Open Meetings Act, Texas Government Code, Chapter 551, including §551.071 (private consultation with the attorney for the City); §551.072 (purchase, exchange, lease or value of real property); §551.074 (personnel or to hear complaints against personnel); §551.076 (deployment, or specific occasions for implementation of security personnel or devices); and §551.087 (economic development negotiations). Any decision held on such matters will be taken or conducted in Open Session following the conclusion of the Executive Session.

Mayor-Todd Meier

Attest:

City Secretary-Laura Bell

AI-1541

8.

Work Session and Regular Meeting

Meeting Date: 02/23/2016

Department: City Secretary

AGENDA CAPTION:

Consider A **Resolution Adopting A Public Information Act Policy For The Town Of Addison.**

BACKGROUND:

At the February 9, 2016 Council meeting, City Secretary Laura Bell presented the proposed Public Information Act Policy for the Town. This policy adopts the deadlines and guidelines as stated in the Public Information Act. The policy allows staff to work within the guidelines and respond to requests from the public in a timely manner.

There will be no change in the level of service given to the public through adoption of this policy. The new policy is in compliance with all State laws.

RECOMMENDATION:

Administration recommends approval.

Attachments

Resolution

TOWN OF ADDISON, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING AN OPEN RECORDS POLICY TO ESTABLISH GUIDELINES FOR PROCESSING PUBLIC INFORMATION REQUESTS, INCLUDING CHARGES FOR CERTAIN REQUESTS, IN ACCORDANCE WITH TEXAS GOVERNMENT CODE 552.001, ET SEQ., AS AMENDED (THE TEXAS PUBLIC INFORMATION ACT), AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

Section 1. The Open Records Policy to establish guidelines for processing public information requests, including charges for certain requests, in accordance with Texas Government Code 552.001, et seq., as amended (the Texas Public Information Act), a copy of which is attached to this Resolution as **Exhibit A**, is hereby approved.

Section 2. This Resolution shall take effect from and after its date of adoption.

PASSED AND APPROVED by the City Council of the Town of Addison, Texas this the 23rd day of February, 2016.

Todd Meier, Mayor

ATTEST:

By: _____
Laura Bell, City Secretary

APPROVED AS TO FORM:

By: _____
Brenda N. McDonald, City Attorney

EXHIBIT A

Open Records Disclosure Policy
Town of Addison



TOWN OF ADDISON OPEN RECORDS POLICY

PURPOSE

The purpose of this policy is to establish internal guidelines in accordance with Texas Government Code 552.001, et seq., as amended, (the Texas Public Information Act) (the "Act"), to ensure that all records in the possession of and pertaining to the operation of the Town of Addison, Texas ("City") are available to the public through a systematic and centralized process and as required by law.

DEFINITIONS

- City Secretary's Office- The office of the City Secretary of the Town of Addison, Texas, which shall include the City Secretary and any employees within this office.
- Department- The department(s) to whom a public information request is forwarded or the department(s) that has information responsive to a request for public information. The term department shall refer to the liaison(s) as defined in this policy, and any other employee so designated or responsible for responding to public information requests.
- Department Head- The individual in charge of a department within the City as determined by the City Manager.
- Liaison- The person(s) in each department designated by the department head as responsible for responding to, processing and filling requests for public information.
- Manipulation- The process of modifying, reordering, or decoding information with human intervention.
- Public Information- the definition of "public information" as set forth in the Act, as amended.
- Public Information Requests- All written Requests for public information fall under the provisions of the Act. This includes any correspondence, standard form

EXHIBIT A

Open Records Disclosure Policy Town of Addison

document, facsimile, email communication, or other writing that requests information. The City has a portal that can be used to Request public information, but USAGE OF THE PORTAL IS NOT REQUIRED. It is the City's policy to request that a Requestor submit a Request for public information in writing via the City's designated portal on the City's website.

- Requestor- any person, group, association, corporation or other assembly of individuals who make a request for public information pursuant to the Act.
- Requests- All requests for information, as defined under the Act, with the exception of open record requests that are received by the Police Department, Fire Department and/or Municipal Court. In the event a request overlaps between departments (ie. City Secretary and Fire Department), the City Secretary shall assume the leadership of accepting and responding to the request.
- Standard/ Nonstandard Copies-
 - Standard Copies- Printed impressions on paper that measures up to 8 ½ by 14 inches. Each side of a piece of paper on which an impress is made is counted as a copy.
 - Nonstandard Copies- Copies of information made available to a Requestor in any format other than a standard copy. This includes, but is not limited to, microfiches, microfilm, diskettes, magnetic tapes, videocassettes, and paper copies larger 8 ½ by 14 inches.

GENERAL

The City regularly receives Requests for access to public information. The City shall evaluate each Request in accordance with the requirements set forth in the Act. The timeline for the release of information is dependent upon the information requested, and whether or not it falls within a mandatory or permissive exception provided by the Act. The purpose of this policy is to provide general guidance on the open records process in the Town.

In handling Requests for public information, the City must comply with the requirements of the Act. Any written Request for public information in the state of Texas, routine or otherwise, must be handled in accordance with the Act and other state and federal statutes. Charges associated with the copying of information fall under the provisions of the Act, specifically those sections of the Code that set maximum charges for the copying of information, and the Texas Administrative Code. These charges must be used in assessing fees for compiling and copying public information, except to the extent that other law provides for charges for specific kinds of public information.

The fee schedule provided in the Texas Administrative Code must be followed when responding to a Requestor and assessing costs.

The Act does not require the creation of new information. Departments should only

EXHIBIT A

Open Records Disclosure Policy Town of Addison

provide information that responds to the Request and that exists at the time the Request is received. If a Department does not have information that responds to a Request, the Department shall notify the City Secretary's Office, which shall notify the Requestor, in writing.

The Act prohibits the City from inquiring why a Requestor is requesting certain information or how the information will be used. City staff may only make inquiries to a Requestor for the following reasons:

1. To establish proper identification, if needed;
2. To clarify a Request that is unclear; and/or
3. In cases where a large amount of information has been requested, to discuss how the scope of a Request may be narrowed.

CITY SECRETARY

The City Charter designates the City Secretary as the Town Records Management Officer for the City and all Requests for public records should be addressed to the City Secretary. The City Secretary shall be the City's authority for releasing records in accordance with the Act, with the exception of Fire Department, Municipal Court and Police Records.

The Request must sufficiently identify the record desired by name (if known) of record, date of record, and address/location of record. The City, however, must make a good faith effort to advise the Requestor of the kinds of records available to assist him in clarifying his Request. Should the type of record being requested not be a record maintained by the City, the City has no obligation to create a record or records to satisfy the request.

DEPARTMENT RESPONSIBILITY

The City Secretary's Office is the point of contact and the distribution point for all Requests. Departments shall forward all Requests received to the City Secretary's office within twenty-four (24) hours of receipt.

The Department Head is responsible for providing coordination between the City Secretary's Office and staff in his or her office to ensure that provisions of this Policy are followed. Department Heads are responsible for responding as requested by the City Secretary's Office or City Attorney regarding Requests for departmental public information.

Department Heads shall appoint one (1) or more departmental liaison(s) that will be responsible for responding to, processing and fulfilling Requests, and working with the City Secretary's Office or City Attorney in handling Requests. The Department Head shall also ensure that if the departmental liaison(s) is unavailable, at least one (1) staff member with knowledge of the public information process and all Requests that are

EXHIBIT A

Open Records Disclosure Policy Town of Addison

submitted to the Department, is available to process the Request and/or work with the City Secretary's Office and City Attorney in handling Requests.

Departments are responsible for organizing and maintaining both active and inactive information in a manner that maximizes the ready availability of the information in accordance with state laws.

Departments are responsible for providing all responsive documentation to the City Secretary's Office within four (4) days of the Request date, unless requested sooner. Revisions of this time period may be made by the City Secretary and/or City Attorney, upon Request and demonstration of necessity.

Departments are responsible for estimating, justifying, and reporting all charges associated with compiling and copying information.

Departments shall examine all information to determine which information is responsive to the Request and forward such information to the City Secretary's Office.

CITY SECRETARY'S OFFICE

The City Secretary's Office logs in and carries out the initial distribution of all Requests to relevant Department Heads and/or appointed liaisons and also forwards a copy to the City Attorney.

The City Secretary's Office is responsible for contacting the Requestor to confirm receipt and to indicate the initial status of distribution efforts, if known.

The City Secretary's Office will provide advice to Departments on costs associated with providing copies of, or access to, public information. The City Secretary's Office shall be responsible for drafting all cost estimate letters in association with Requests.

The City Secretary's Office will provide copies or access to public information in response to standard Requests in accordance with the Act.

The City Secretary's Office is responsible for advising and informing the City Manager's Office on Requests as requested by the City Manager.

The City Secretary's Office shall coordinate the response to all Requests, with the assistance of the City Attorney. The City Secretary's Office shall not provide access or copies to the Requestor until the City Attorney has reviewed the information and determined if the information can be released.

CITY ATTORNEY

The City Attorney is responsible for assisting in the compliance of this policy, the Act and the direction of City Council.

EXHIBIT A

Open Records Disclosure Policy Town of Addison

The City Attorney reviews all Requests forwarded by the City Secretary's Office and other Departments to determine whether any portion of the requested information may fall under an exception pursuant to the Act.

In order to determine whether information is confidential or excepted from disclosure under the law, the City Secretary's Office shall provide the City Attorney with a copy of the requested information before the information is released to the Requestor. The City Attorney shall notify the Requestor, relevant Departments, and the City Secretary's Office upon determination that the requested information is subject to exception from disclosure or release. The City Attorney shall oversee the redaction of information determined to be confidential or otherwise excepted from public disclosure.

In accordance with the Act and if necessary, the City Attorney will send a Request for a ruling to the Texas Attorney General. The City Secretary's Office will be copied on all correspondence with the Attorney General's Office.

PRACTICE

All Requests shall be submitted in writing regardless of the source, and shall be submitted to the City Secretary's Office. The Requestor may submit his Request in letter form, by electronic mail, by facsimile, or by completing the Request through the open records request online portal. All Requests that are not submitted through the online portal should be forwarded immediately to the City Secretary's Office for review and distribution.

The City Secretary's Office shall distribute the Request to the appropriate Departments, which shall confirm receipt of the Request within one (1) business day. A copy of the information responsive to the Request shall be provided to the City Secretary's Office within four (4) business days of receipt of the Request by the City, unless requested sooner.

All responsive information maintained by the City at the time of a Request must be provided to the City Secretary's Office. After review by the City Secretary's Office and the City Attorney, if applicable, all information, which is not otherwise excepted from required public disclosure, shall be released. The difficulty or inconvenience involved in making this information available is not a factor in determining whether or not information shall be released. The availability and volume of information requested, however, are highly relevant to what constitutes a reasonable period of time. For more voluminous Requests, the task of compilation may be greater.

Requests shall be handled promptly and timely, taking into account the order in which they are received and the information requested. When the time necessary for compilation or provision of requested information will exceed ten (10) business days from the date of the standard Request, the City Secretary's Office shall certify in writing to the Requestor the approximate date when the information will be available, copying

EXHIBIT A

Open Records Disclosure Policy Town of Addison

the City Attorney and City Attorney's designee for Requests.

All original Requests for Disclosure of Public Records, along with any documentation and/or rulings, shall be maintained by the Department receiving the Request (City Secretary, Emergency Response, Fire, and Police) for file, records retention, and reference purposes in accordance with the Texas State Library and Archives Retention Schedule.

Electronic Data

If responsive information exists in an electronic or magnetic medium, the Requestor may Request a copy either on paper or in an electronic medium, such as on diskette or magnetic tape. City staff shall provide a suitable copy in the requested medium if:

- 1) the City has the technological ability to produce a copy of the requested information in the requested medium;
- 2) the City is not required to purchase any software or hardware to accommodate the Request; and
- 3) provision of a copy of the information in the requested medium will not violate the terms of any copyright agreement between the City and a third party.

If City staff is unable to comply with a Request to produce a copy of information in a requested medium for any of the reasons described above, City staff shall provide a paper copy of the requested information or a copy in another medium that is acceptable to the Requestor. City staff is not required to copy information to a diskette or other material provided by the Requestor, but may use City supplies and charge the Requestor.

Manipulation of Data

If City staff determines that responding to a Request will require programming or manipulation of data and that compliance with the Request is not feasible or will result in substantial interference with ongoing operations, the City Secretary's Office shall provide to the Requestor a written statement that must include:

- 1) a statement that the information is not available in the requested form;
- 2) a description of the form in which the information is available;
- 3) a description of any contract or services that would be required to provide the information in the requested form;
- 4) a statement of the estimated cost of providing the information in the requested form, in accordance with charges outlined in the Act; and

EXHIBIT A

Open Records Disclosure Policy Town of Addison

- 5) a statement of the anticipated time required to provide the information in the requested form.

The City Secretary's Office shall provide the written statement to the Requestor in accordance with the Act.

After providing the written statement to the Requestor, staff has no further obligation to provide the information in the requested form or in the form in which it is available unless, within thirty (30) days, the Requestor states in writing to the staff that the Requestor:

- 1) wants staff to provide the information in the requested form according to the cost and time parameters set out in the statement or according to other terms to which the Requestor and staff agree; or
- 2) wants the information in the form in which it is available.

If the Requestor does not make a timely written statement as provided in this section, the Request is considered to be withdrawn.

The City Secretary's Office shall maintain a file containing all written statements issued under this section in a readily accessible location for one (1) year after a final decision on the Request has been made.

Staff shall consult with the Information Technology Department prior to providing the written statement described above, as well as a "suitable copy" described in Electronic Data, if Information Technology has service responsibility for the electronic records keeping systems from which the information is being requested.

Request for Inspection and Delivery

For both convenience and security, all information requested shall be located by Department staff, inspected by the Requestor, and copied by Department staff.

City staff shall not remove or allow to be removed from City offices any original copies of public information. Inspections of public information shall take place on-site in City facilities. Departments shall provide facilities and accommodations to accomplish such inspections.

Persons requesting access to public information must complete examination of the information within ten (10) business days from the date material is made available to them. This period may be extended an additional ten (10) business days provided the Requestor, during the initial period, files a written request for additional time. If the Requestor does not complete the examination within ten (10) business days after the information is made available, and does not file a Request for additional time, the

EXHIBIT A

Open Records Disclosure Policy Town of Addison

Request is considered withdrawn. An additional ten (10) business days may be granted if, within the additional period, the Requestor files another written Request for additional time. This examination period may be interrupted if the information is needed for use by the City. This period of interruption is not included in the time period during which persons may examine information.

Copies of materials requested will be sent to the Requestor in the manner in which it was received. It may be mailed to the Requestor by first class United States mail, provided that the Requestor has paid all costs associated with copying, as well as postage costs, in advance.

Destruction of public information shall take place on a regular and systematic basis according to approved records retention and disposition schedules, City Code provisions and state law. No information shall be destroyed, however, including information whose retention minimum has expired, after a Request for that information or notification of such a pending Request has been received.

Repetitious Requests

If City staff determines that a Requestor has made a duplicate Request (an identical Request to one that has previously been answered by the City), the City Secretary's Office shall certify to the Requestor that copies of all or part of the requested information were previously furnished or made available to the Requestor. The certification must include:

- 1) a description of the information for which copies have been previously furnished or made available to the Requestor;
- 2) the date the governmental body received the Requestor's original Request for that information;
- 3) the date the governmental body previously furnished copies or made the information available to the Requestor;
- 4) a certification that no subsequent additions, deletions, or corrections have been made to that information; and
- 5) the name, title, and signature of the officer for public information or the officer's agent making the certification.

A charge may not be imposed for making a certification under this section.

This section does not apply to information that was not previously copied or made available to the Requestor upon payment, including information for which copies were not furnished or made available because the information was redacted from other information that was furnished or made available or because the information did not yet

EXHIBIT A

Open Records Disclosure Policy
Town of Addison

exist at the time of an earlier Request.

When mailing copies of sensitive information, certified mail should be used when an appropriate mailing address is provided.

FEES

Fees for disclosure of public records shall be determined as outlined by the guidelines established by the Texas Building and Procurement Commission (formerly General Services Commission (GSC)) rules (Texas Administrative Code, Sections 111.61 - 111.63) as summarized in Exhibit A.

Departments shall keep records of labor involved in compiling all Requests for information so that proper charges can be assessed.

The City Secretary with the help of the City Attorney should provide a Requestor with a written estimate of costs anticipated for information that will require manipulation, programming, personnel time, or other cost categories over and above simple paper copies.

As a general rule, there is no charge for inspection of public information if a copy is not requested. The following are exceptions to this rule, for which fees may be charged:

- 1) In the case of paper records on which a page or pages contain confidential information that must be edited or redacted before the information can be made available, departments may charge only for the cost of a copy of the page from which information must be redacted.
- 2) In the case of information in an electronic medium that is not available directly online to a Requestor and that will require programming or manipulation of data to comply with a Request, departments may impose charges for access to the information. The City Secretary's Office shall provide an estimate of related charges to the Requestor before assembling the information.
- 3) In the case of information in an electronic form on a computer owned or leased by the City to which the public has direct access through a computer network or other means and that will require processing, programming, or manipulation on the City-owned or leased computer before it can be electronically copied, departments may impose associated charges.

When mailing copies of material requested, fees charged shall be collected before materials are sent. The City Secretary's Office may notify Requestors of exact charges by telephone, correspondence, or by calculating charges on the Public Information Request form and forwarding it as an invoice. All facsimile and mailing costs, including certified mail charges, shall be included as part of total copying charges assessed.

EXHIBIT A

Open Records Disclosure Policy Town of Addison

When charges for copying are projected with certainty to exceed \$100, a deposit shall be charged, and a receipt for this amount shall be given when the deposit is received.

Sales tax may not be added to the charges for copying public information.

Mailing charges may be assessed.

WAIVER

The City reserves the right to waive fees for the cost of a copy or copies requested by a city official, city employee or other governing entities (local, state, or federal).

TRAINING

The City Secretary's Office, in conjunction with the City Attorney, shall provide training and guidance to all Departments and Liaisons on the legal requirements, costs, and procedures associated with responding to Requests for public information.

All staff members designated as a Liaison for public information, or a backup to the Liaison in his or her absence, shall be required to attend the training at least once within a two-year period. If a new staff member is designated as a Liaison, or the backup to the Liaison, that person shall attend the next available training session.

The City Secretary's Office is the official designee of the City to satisfy the training requirements of Section 552.012 of the Texas Government Code, as amended.

REFERENCES

- Public Information Act, Chapter 552, Texas Government Code, as amended.
- Cost Regulations, as set forth in § 552.261 - .274, Texas Government Code and Texas Administrative Code, Chapter 70.
- Addison Code of Ordinances, Article V. Records Management.

Work Session and Regular Meeting**Meeting Date:** 02/23/2016**Department:** Airport

AGENDA CAPTION:

Consider A **Resolution Increasing The Public Fuel Flowage Fee From \$0.12 To \$0.14 And The Non-Public Fuel Flowage Fee From \$0.20 To \$0.22 At Addison Airport Effective April 1, 2016.**

BACKGROUND:

The Addison Airport fuel flowage fees (FFF) are currently set at \$0.12 per gallon for public fuel operators and \$0.20 for non-public fuelers for each gallon of fuel that is received at the airport fuel farm. The public FFF has not changed since October 1, 1994 when Resolution #R94-079 was passed by City Council reducing the rate from \$0.145 per gallon of fuel received to the current \$0.12 per gallon received. In 2009, a non-public FFF was initiated for the fuelers who have a license agreement that allows them to fuel only those aircrafts that they own or that are under their direct operational control. This fee is currently set at \$0.20 and has not been changed since it was initiated. The higher FFF charged to this class of user is in recognition of the economic benefit accruing to the user from self-fueling. Since 2009, the volume of fuel received by non-public operators has remained less than 4% of the total volume of fuel received by all operators (public and non-public).

Staff proposed that the FFF be increased effective April 1, 2016, to \$0.14 per gallon of fuel received for public fuelers and \$0.22 per gallon for non-public fuelers. If the proposed fee increases are implemented on April 1, 2016, it is estimated to result in an additional \$63,320 in fuel flowage fee revenue in Fiscal Year 2016, for a total of \$855,000. Based on the projection of the total number of gallons of fuel to be delivered to the airport in Fiscal Year 2017, the estimated total revenue will be \$962,367, an increase of \$170,687 over the estimated revenue in Fiscal Year 2016 prior to the fee increase.

The increased fee is proposed in order to help address the increased cost of infrastructure upgrades and maintenance at the airport.

RECOMMENDATION:

Administration recommends approval.

Attachments

Resolution

TOWN OF ADDISON, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, AMENDING RESOLUTION NOS. R94-079 AND R09-018 TO INCREASE THE AMOUNT OF THE FUEL FLOWAGE FEES FOR HOLDERS OF PUBLIC FUEL PERMITS OR LICENSES AND NON-PUBLIC PERMITS OR LICENSES AS SET FORTH HEREIN; FINDING THAT THE FUEL FLOWAGE FEE AMOUNTS SET FORTH HEREIN ARE REASONABLE AND UNIFORM FOR THE SAME CLASS OF PRIVILEGE OR SERVICE AND ARE ESTABLISHED AND CONTINUED WITH DUE REGARD TO THE PROPERTY AND IMPROVEMENTS USED AND THE EXPENSES OF OPERATION TO THE CITY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Addison, Texas (the “City”) is the owner of the Addison Airport (the “Addison Airport”) located within the City; and

WHEREAS, the City has issued public and non-public aircraft fuel dispensing permits to dispense aviation fuel at Addison Airport, and has issued and may issue licenses to receive, store, or dispense fuel at Addison Airport, which permits and licenses require, among other things, the payment to the City of a fuel flowage fee for each gallon of aviation fuel received by the permittee or licensee at Addison Airport during the term thereof, and reserve the right by the City to increase or decrease the fuel flowage fee as the City may determine, in its sole discretion, is necessary; and

WHEREAS, the City has heretofore, by Resolution No. R94-079 of the City on **October 1, 1994**, amended existing fuel flowage permits to establish the fuel flowage fee in an amount equal to twelve cents (\$0.12) for each gallon of aviation fuel received by holders of public fuel permits or licenses, and reserved the right to increase or decrease the fuel flowage fee as, in its sole discretion, may be necessary; and

WHEREAS, the City has heretofore, by Resolution No. R09-018 of the City on **October 1, 1994**, amended existing fuel flowage permits to establish the fuel flowage fee in an amount equal to twenty cents (\$0.20) for each gallon of aviation fuel received by holders of non-public fuel permits or licenses, and reserved the right to increase or decrease the fuel flowage fee as, in its sole discretion, may be necessary; and

WHEREAS, the City is authorized pursuant to Section 22.014 of the Texas Transportation Code to adopt ordinances, resolutions, rules, and orders necessary to manage, govern, and use Addison Airport; and

WHEREAS, the City recognizes that there are different classes of fuelers, public fuelers, and non-public fuelers, and in connection herewith the City has considered the differences between the classes and has given due consideration of all regulatory and legal requirements

affecting the fuel flowage fees assessed for the different classes of fuelers, including the City's obligation to make Addison Airport as self-sustaining as possible; and

WHEREAS, the City desires to amend Resolution Nos. R94-079 and R09-018 to increase: (i) the fuel flowage fee for holders of public fuel permits or licenses from twelve cents (\$0.12) for each gallon of aviation fuel received to fourteen cents (\$0.14) for each gallon of aviation fuel received; and (ii) the fuel flowage fee for holders of non-public fuel permits or licenses from twenty cents (\$0.20) for each gallon of aviation fuel received to twenty-two cents (\$0.22) for each gallon of aviation fuel received, and thereby to amend such permits and licenses as may be necessary to reflect such rates.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

Section 1. The City Council does hereby amend Resolution Nos. R94-079 and R09-018 to increase: (i) the fuel flowage fee for holders of public fuel permits or licenses from twelve cents (\$0.12) for each gallon of aviation fuel received to fourteen cents (\$0.14) for each gallon of aviation fuel received; and (ii) the fuel flowage fee for holders of non-public fuel permits or licenses from twenty cents (\$0.20) for each gallon of aviation fuel received to twenty-two cents (\$0.22) for each gallon of aviation fuel received. Such permits and licenses for public fuelers and non-public fuelers shall be and are hereby amended as may be necessary to reflect such fuel flowage fee amounts.

The amended fuel flowage fees set forth herein shall continue in full force and effect from and after April 1, 2016 until such time as such fuel flowage fee amounts may be amended or modified by the City as the City may, in its sole discretion, deem necessary or appropriate.

Section 2. The City has reserved and hereby reserves the right to increase or decrease the said fuel flowage fee amounts as the City may, in its sole discretion, deem necessary or appropriate.

Section 3. The City Council finds that the fuel flowage fee amounts established and/or continued and confirmed hereby are reasonable and uniform for the same class of privilege or service and are established and continued with due regard to the property and improvements used and the expenses of operation to the City.

Section 4. The sections, paragraphs, sentences, phrases, clauses and words of this Resolution are severable, and if any section, paragraph, sentence, phrase, clause or word in this Resolution or application thereof to any person or circumstance is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portion of this Resolution, and the City Council hereby declares that it would have passed such remaining portion of this Resolution despite such invalidity, which remaining portion shall remain in full force and effect.

Section 5. The above and foregoing premises to this Resolution are true and correct and are incorporated herein and made a part hereof.

Section 6. This Resolution shall take effect from and after its date of passage and approval.

PASSED AND APPROVED by the City Council of the Town of Addison, Texas this the 9th day of February, 2016.

Todd Meier, Mayor

ATTEST:

By: _____
Laura Bell, City Secretary

APPROVED AS TO FORM:

By: _____
Brenda N. McDonald, City Attorney

AI-1513

10.

Work Session and Regular Meeting

Meeting Date: 02/23/2016

Department: Finance

AGENDA CAPTION:

Consider A **Resolution Authorizing The Town Of Addison To Designate Representatives To The TexPool Local Government Investment Pool.**

BACKGROUND:

In addition to investing in individual securities, the Town also invests a portion of our portfolio in a local government investment pool known as TexPool. The pool invests primarily in short-term securities maturing in less than seven days, and Town funds are available at any time without penalty. As such, TexPool offers the Town a competitive short-term yield with the added flexibility of immediate funds availability.

Due to staffing changes, the list of authorized representatives with TexPool needs to be amended to add both the Interim Chief Financial Officer and the Assistant Finance Director. Additionally, the Accounting Manager, who is already currently an authorized representative, is reaffirmed in the same capacity. The Accountant and Senior Budget Analyst are currently authorized for inquiry-only status regarding transactions with the TexPool investment pool.

To make these changes, TexPool requires that the City Council approve a resolution.

RECOMMENDATION:

Administration recommends approval.

Attachments

TexPool Resolution



RESOLUTION AMENDING AUTHORIZED REPRESENTATIVES

WHEREAS, Town of Addison, location # 77333

(Participant Name & Location Number)

("Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

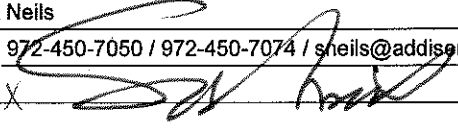
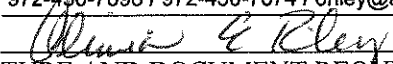
WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pool ("TexPool/ Texpool *Prime*"), a public funds investment pool, were created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW THEREFORE, be it resolved as follows:


- A. That the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool / TexPool *Prime* and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.
- B. That an Authorized Representative of the Participant may be deleted by a written instrument signed by two remaining Authorized Representatives provided that the deleted Authorized Representative (1) is assigned job duties that no longer require access to the Participant's TexPool / TexPool *Prime* account or (2) is no longer employed by the Participant; and
- C. That the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant;

List the Authorized Representatives of the Participant. Any new individuals will be issued personal identification numbers to transact business with TexPool Participant Services.

1. Name: <u>Dr. Scott Neils</u>	Title: <u>Interim Chief Financial Officer</u>
Phone/Fax/Email: <u>972-450-7050 / 972-450-7074 / sneils@addisontx.gov</u>	
Signature: <u>X </u>	
2. Name: <u>Olivia Riley</u>	Title: <u>Assistant Finance Director</u>
Phone/Fax/Email: <u>972-450-7098 / 972-450-7074 / oriley@addisontx.gov</u>	
Signature: <u></u>	

ORIGINAL SIGNATURE AND DOCUMENT REQUIRED

TEX – REP

3. Name: Amanda Turner Title: Accounting Manager
Phone/Fax/Email: 972-450-7064 / 972-450-7074 / adturner@addisontx.gov
Signature: 

4. Name: _____ Title: _____
Phone/Fax/Email: _____
Signature: _____

List the name of the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Name Dr. Scott Neils

In addition and at the option of the Participant, one additional Authorized Representative can be designated to perform only inquiry of selected information. This limited representative cannot perform transactions. If the Participant desires to designate a representative with inquiry rights only, complete the following information.

5. Name: Paul DeBuff / Mushtaq Ali Title: Sr. Budget Analyst / Accountant
Phone/Fax/Email: 972-450-7087 / 972-450-7074 / pdebuff@addisontx.gov 972-450-7061 / 972-450-7074 / mali@addisontx.gov

D. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool Participant Services receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at its regular/special meeting held on the 9th day February, 20 16.

**Document is to be signed by your Board President, Mayor or County Judge and
attested by your Board Secretary, City Secretary or County Clerk.**

NAME OF PARTICIPANT: Town of Addison

SIGNED: _____
Signature
Todd Meier
Printed Name
Mayor
Title

ATTEST: _____
Signature
Laura Bell
Printed Name
City Secretary
Title

This document supersedes all prior Authorized Representative designations.

ORIGINAL SIGNATURE AND DOCUMENT REQUIRED

TEX – REP

TexPool Participant Services • Federated Investors Inc
1001 Texas Ave., Suite 1400 • Houston, TX 77002 • www.texpool.com • 1-866-839-7665

Work Session and Regular Meeting**Meeting Date:** 02/23/2016**Department:** Finance

AGENDA CAPTION:

Consider A **Resolution Authorizing The Town To Designate Representatives To The TexStar Investment Pool To Transact Business On Behalf Of The Town Of Addison.**

BACKGROUND:

In addition to investing in individual securities, the Town also invests a portion of our investment portfolio in a local government investment pool known as TexSTAR. The pool invests primarily in short-term securities maturing in less than seven days, and Town funds are available at any time without penalty. As such, TexSTAR offers the Town a competitive short-term investment yield with the added flexibility of immediate funds availability.

Due to staffing changes, the list of authorized representatives with TexSTAR needs to be amended to remove the Deputy City Manager and to add both the Interim Chief Financial Officer and the Assistant Finance Director. The Accounting Manager is currently an authorized representative, and is being reconfirmed in that capacity. The Accountant and Senior Budget Analyst are currently authorized for inquiry-only status regarding transactions with the TexSTAR investment pool. Additionally, with this Resolution, the Interim Chief Financial Officer is appointed as primary contact to receive all correspondence from TexSTAR.

To make these changes, TexSTAR requires that the City Council approve a resolution.

RECOMMENDATION:

Administration recommends approval.

Attachments

TexSTAR Add/Delete Form

TexSTAR Resolution



ADDITION/DELETION FORM FOR AUTHORIZED REPRESENTATIVES

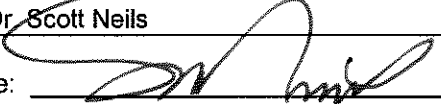

PARTICIPANT NAME: Town of Addison

LOCATION NUMBER: 05716

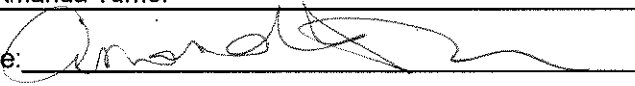
PART I: DELETIONS - Please enter the Authorized Representatives to be deleted

1. Cheryl Delaney
2. _____
3. _____

PART II: ADDITIONS - Please enter the Authorized Representatives to be added

1. Name: Dr. Scott Neils Title: Interim Chief Financial Officer
Signature:  Phone: 972-450-7050
Email: sneils@addisontx.gov
2. Name: Olivia Riley Title: Assistant Finance Director
Signature:  Phone: 972-450-7098
Email: oriley@addisontx.gov

PART III: APPROVALS - Please enter the names of all currently Authorized Representatives to authorize the deletions and additions of the individuals above.

1. Name: Amanda Turner
Signature: 
Title: Accounting Manager
2. Name: _____
Signature: _____
Title: _____
3. Name: _____
Signature: _____
Title: _____
4. Name: _____
Signature: _____
Title: _____

**Official Seal of Participant
(required)**

Attested By: _____

Title: City Secretary



ADDITION/DELETION FORM FOR AUTHORIZED REPRESENTATIVES

PART IV: PRIMARY CONTACT [required] - If the Primary Contact on file with TexSTAR was deleted in Part I of this form, please provide the name of the Authorized Representative that will be the Primary Contact. The Primary Contact is the individual who will receive the daily transaction confirmations, monthly statements, monthly newsletter, TexSTAR updates and other program mailings.

Name: Dr. Scott Neils

Email Address: sneils@addisontx.gov

Phone Number: 972-450-7050

PART V: INQUIRY ONLY [optional] - If an Inquiry Only Representative was deleted in Part I and you wish to replace this representative or add an inquiry only representative to your TexSTAR account for the first time, please list this individual below. This limited representative cannot make deposits or withdrawals or sign Bank Information Sheets.

Name: _____ Title: _____

Signature: _____ Phone: _____

Email: _____

If you have any questions regarding this form or the Authorized Representatives currently on file with TexSTAR for your entity, please contact TexSTAR Participant Services at 1-800-839-7827.



AMENDING RESOLUTION

WHEREAS, _____ the Town of Addison, Texas _____

(the "Government Entity") by authority of the Application for Participation in TexSTAR (the "Application") has entered into an Interlocal Agreement (the "Agreement") and has become a participant in the public funds investment pool created there under known as TexSTAR Short Term Asset Reserve Fund ("TexSTAR");

WHEREAS, the Application designated on one or more "Authorized Representatives" within the meaning of the Agreement;

WHEREAS, the Government Entity now wishes to update and designate the following persons as the "Authorized Representatives" within the meaning of the Agreement;

NOW, THEREFORE, BE IT RESOLVED:

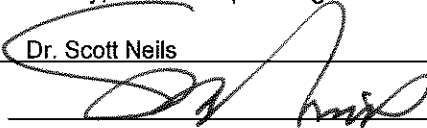
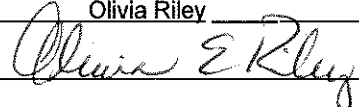
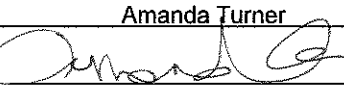
SECTION 1. The following officers, officials or employees of the Government Entity specified in this document are hereby designated as "Authorized Representatives" within the meaning of the Agreement, with full power and authority to open accounts, to deposit and withdraw funds, to designate other authorized representatives, and to take all other action required or permitted by Government Entity under the Agreement created by the application, all in the name and on behalf of the Government Entity.

SECTION 2. This document supersedes and replaces the Government Entity's previous designation of officers, officials or employees of the Government Entity as Authorized Representatives under the Agreement

SECTION 3. This resolution will continue in full force and effect until amended or revoked by Government Entity and written notice of the amendment or revocation is delivered to the TEXSTAR Board.

SECTION 4. Terms used in this resolution have the meanings given to them by the Application.

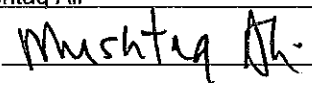
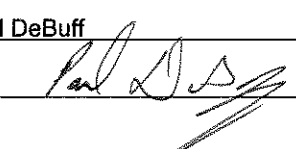
Authorized Representatives. Each of the following Participant officials is designated as Participant's Authorized Representative authorized to give notices and instructions to the Board in accordance with the Agreement, the Bylaws, the Investment Policy, and the Operating Procedures:

1. Name: Dr. Scott Neils Title: Interim Chief Financial Officer
Signature:  Phone: 972-450-7050
Email: sneils@addisontx.gov
2. Name: Olivia Riley Title: Assistant Finance Director
Signature:  Phone: 972-450-7098
Email: oriley@addisontx.gov
3. Name: Amanda Turner Title: Accounting Manager
Signature:  Phone: 972-450-7064
Email: adtturner@addisontx.gov

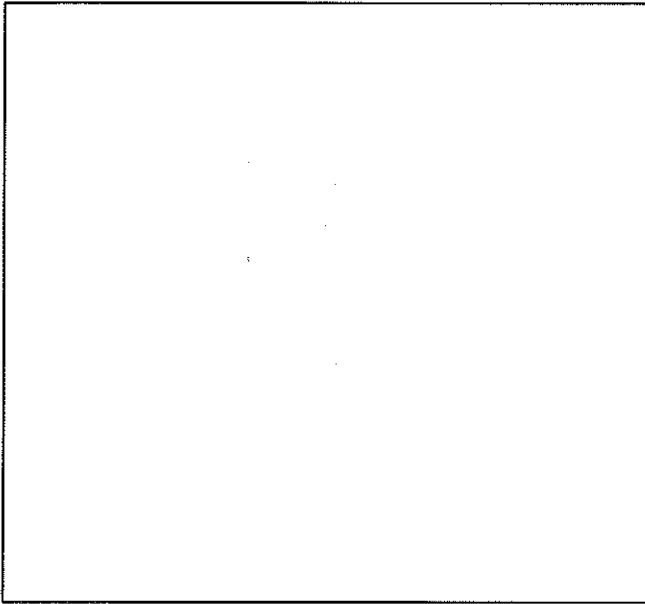
{REQUIRED} PRIMARY CONTACT: List the name of the Authorized Representative **listed above** that will be designated as the Primary Contact and will receive all TexSTAR correspondence including transaction confirmations and monthly statements

Name: Dr. Scott Neils, Interim Chief Financial Officer

{OPTIONAL} INQUIRY ONLY CONTACT: In addition, the following additional Participant representative (**not listed above**) is designated as an **Inquiry Only** Representative authorized to obtain account information:

- Name: Mushtaq Ali Title: Accountant
Signature:  Phone: 972-450-7061
Email: mali@addisontx.gov
- Name: Paul DeBuff Title: Sr. Budget Analyst
Signature:  Phone: 972-450-7087
Email: pdebuff@addisontx.gov

Participant may designate other authorized representatives by written instrument signed by an existing Participant Authorized Representative or Participant's chief executive officer.



OFFICIAL SEAL OF PARTICIPANT (REQUIRED)

DATED February 9, 2016

Town of Addison
(NAME OF PARTICIPANT)

SIGNED BY: _____
(Signature of official)

Wes Pierson, City Manager
(Printed name and title)

ATTESTED BY: _____
(Signature of official)

Laura Bell, City Secretary
(Printed name and title)

FOR INTERNAL USE ONLY

APPROVED AND ACCEPTED: TEXAS SHORT TERM ASSET RESERVE FUND

.....
AUTHORIZED SIGNER

AI-1530

12.

Work Session and Regular Meeting

Meeting Date: 02/23/2016

Department: Finance

AGENDA CAPTION:

Consider A **Resolution Designating Representatives To The Local Government Investment Cooperative To Transact Business On Behalf Of The Town Of Addison.**

BACKGROUND:

The Local Government Investment Cooperative ("LOGIC") is a JP Morgan-affiliated investment group which the Town utilizes in order to gain interest on idle funds from Town revenues. This Resolution updates the authorized representatives for the LOGIC group. Currently, Addison is not utilizing the LOGIC group investment pool; however, it is important to keep the contracts with the pool updated since the need of the investment group may arise in the future.

Due to staffing changes, the list of authorized representatives with LOGIC needs to be amended to remove the Deputy City Manager and to add the Interim Chief Financial Officer and the Assistant Finance Director. The Accounting Manager is currently an authorized representative, and is being reconfirmed in that capacity. Additionally, with this resolution, the Interim Chief Financial Officer is appointed as primary contact to receive all correspondence from LOGIC.

RECOMMENDATION:

Administration recommends approval.

Attachments

LOGIC Add/Delete Form

LOGIC Resolution



ADDITION/DELETION FORM FOR AUTHORIZED REPRESENTATIVES

PARTICIPANT NAME: Town of Addison TAXPAYER ID : 75-1333555

PART I: DELETIONS - Please enter the Authorized Representatives to be deleted

1. Cheryl Delaney 3. _____
2. _____

PART II: ADDITIONS - Please enter the Authorized Representatives to be added

1. Name: Dr. Scott Neils Title: Interim Chief Financial Officer
Signature: [Signature] Phone: 972-450-7050
Email: sneils@addisontx.gov
2. Name: Olivia Riley Title: Assistant Finance Director
Signature: [Signature] Phone: 972-450-7098
Email: oriley@addisontx.gov

PART III: APPROVALS - Please enter the names of all currently Authorized Representatives to authorize the deletions and additions of the individuals above.

1. Name: Amanda Turner
Signature: [Signature]
Title: Accounting Manager
2. Name: _____
Signature: _____
Title: _____
3. Name: _____
Signature: _____
Title: _____
4. Name: _____
Signature: _____
Title: _____

**Official Seal of Participant
(required)**

Attested By: _____

Title: City Secretary



ADDITION/DELETION FORM FOR AUTHORIZED REPRESENTATIVES

PART IV: PRIMARY CONTACT [required] - If the Primary Contact on file with LOGIC was deleted in Part I of this form, please provide the name of the Authorized Representative that will be the Primary Contact. The Primary Contact is the individual who will receive the daily transaction confirmations, monthly statements, monthly newsletter, LOGIC updates and other program mailings.

Name: Dr. Scott Neils, Interim Chief Financial Officer

Email Address: sneils@addisontx.gov

Phone Number: 972-450-7087

PART V: INQUIRY ONLY [optional] - If an Inquiry Only Representative was deleted in Part I and you wish to replace this representative or add an inquiry only representative to your LOGIC account for the first time, please list this individual below. This limited representative cannot make deposits or withdrawals or sign Bank Information Sheets.

Name: _____ Title: _____

Signature: _____ Phone: _____

Email: _____

If you have any questions regarding this form or the Authorized Representatives currently on file with LOGIC for your entity, please contact LOGIC Participant Services at 1-800-895-6442.

**RESOLUTION CHANGING AUTHORIZED REPRESENTATIVES FOR LOCAL
GOVERNMENT INVESTMENT COOPERATIVE**

WHEREAS, The Town of Addison
(the "Government Entity") by authority of that certain Local Government Investment Cooperative
Resolution _____ (the "Resolution") has entered into that certain Interlocal Agreement (the
"Agreement") and has become a participant in the public funds investment pool created thereunder known as
Local Government Investment Cooperative ("LOGIC");

WHEREAS, the Resolution designated on one or more "Authorized Representatives" within
the meaning of the Agreement;

WHEREAS, the Government Entity now wishes to update and designate the following
persons as the "Authorized Representatives" within the meaning of the Agreement;

NOW, THEREFORE, BE IT RESOLVED:

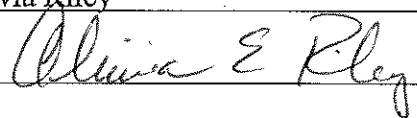
The following officers, officials or employees of the Government Entity are hereby
designated as "Authorized Representatives" within the meaning of the Agreement, with full power and
authority to: deposit money to and withdrawal money from the Government Entity's LOGIC account or
accounts from time to time in accordance with the Agreement and the Information Statement describing
the Agreement and to take all other actions deemed necessary or appropriate for the investment of funds of
the Government Entity in LOGIC:

1. Name: Dr. Scott Neils Title: Interim Chief Financial Officer

Signature:  Phone: 972-450-7051

Email: sneils@addisontx.gov

2. Name: Olivia Riley Title: Assistant Finance Director

Signature:  Phone: oriley@addisontx.gov

Email: 972-450-7098

3. Name: Amanda Turner Title: Accounting Manager

Signature:  Phone: adturner@addisontx.gov

Email: 972-450-7064

{REQUIRED} PRIMARY CONTACT: List the name of the Authorized Representative listed above that will be designated as the Primary Contact and will receive all LOGIC correspondence including transaction confirmations and monthly statements

Name: Dr. Scott Neils, Interim Chief Financial Officer

{OPTIONAL} INQUIRY ONLY CONTACTS: In addition, the following additional Participant representative (not listed above) is designated as an *Inquiry Only* Representative authorized to obtain account information:

Name: Mushtaq Ali Title: Accountant

Signature: Mushtaq Ali Phone: 972-450-7061

Email: mali@addisontx.gov

Name: Paul DeBuff Title: Senior Budget Analyst

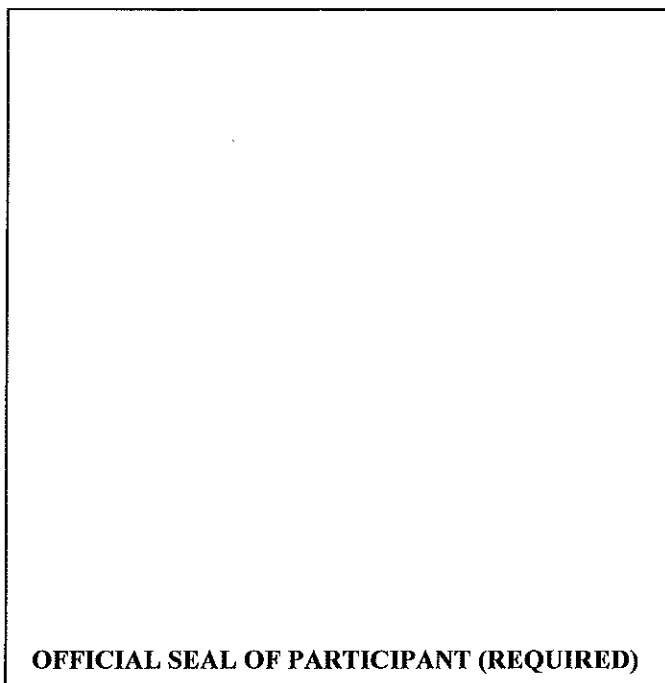
Signature: Paul DeBuff Phone: 972-450-7087

Email: pdebuff@addisontx.gov

Applicant may designate other authorized representatives by written instrument signed by an existing Applicant Authorized Representative or Applicant's chief executive officer.

The foregoing supersedes and replaces the Government Entity's previous designation of officers, officials or employees of the Government Entity as Authorized Representatives under the Agreement pursuant to paragraph 4 of the Resolution. Except as hereby modified, the Resolution shall remain in full force and effect.

PASSED AND APPROVED this 9th day of February, 2016.



Town of Addison

(NAME OF ENTITY/APPLICANT)

SIGNED BY: _____
(Signature of official)

Wes Pierson, City Manager

(Printed name and title)

ATTESTED BY: _____
(Signature of official)
Laura Bell, City Secretary

(Printed name and title)

LOGIC strongly recommends that the Personal Identification Number (PIN) be changed if there is a change in "Authorized Representatives". Please include a request to change the PIN number when sending the "Amending Resolution" to LOGIC.

Work Session and Regular Meeting**Meeting Date:** 02/23/2016**Department:** Infrastructure- Development Services

AGENDA CAPTION:

Consider Authorizing The City Manager To **Enter Into A Contract With HALFF Associates, Inc., For Design And Survey Services For Winnwood Pond Dredging Project** In An Amount Not To Exceed \$62,300.00.

BACKGROUND:

Winnwood Pond is a series of "on-stream" ponds located in the eastern section of the Town of Addison. "On-stream" ponds are those waterways that are permitted by the US Army Corps of Engineers and require special permitting before work can begin. The Town engaged Halff Associates in late 2014 to begin the design for dredging the lakes. The original design amount for this work was \$108,400. This work included many elements such as, pond hydrography, topographic surveys, US Army Corps of Engineers permitting, wildlife assessment, and sediment sampling. The design was completed in early February 2015 and the USACE issued the required Letter of Permission for the work on March 24, 2015. The Letter authorization will expire on December 31, 2020.

The original request for bid was posted on BidSync on February 27, 2015 and a pre-bid conference was held on March 10, 2015. Four firms attended the pre-bid conference. Bids were opened on March 19, 2015. The sole bid received was substantially over the estimated cost of the project due primarily to the site constraints and the distance that the dredged materials would have to be hauled for disposal. Because of this, staff recommended, and Council approved, the rejection of the bid on April 28, 2015.

Due to the proximity of the residential neighborhood to the south of the project, the work needs to be done in the spring and summer months to take advantage of the prevailing southerly winds that will carry the smells of the dredged materials north away from the residents. Once the entire project has been bid and awarded, the Town will send a letter to the residents that this work will directly affect. In addition, there will be a MailChimp link that residents can subscribe to receive updates regarding the progress of the work. When the bid was rejected in April, there was not sufficient time to re-bid the project in order to have the work completed during the spring and summer. Therefore, the project was put on hold until it could be bid again in 2016.

During 2015, the entire DFW area received record rainfalls of 62 inches. This amount of rainfall and the resultant run-off has increased the level of silt deposits in the ponds. Because the dollar amount of the bids will rely heavily on the amount of material to be dredged and hauled off, it is important that those quantities be accurately reflected in the request for bids. In order to do this, these areas need to be re-surveyed and those plan sheets updated prior to re-bidding the project. The portions of the work that must be

redone are the most critical and the most expensive. Bidding phase services were included in the first request for bid but will need to be done again for this second bid phase. This Work Authorization with HALFF is a part of the Master Services Agreement that was executed on February 5, 2014 for services related to stormwater engineering and design. The resurveying work, updating the construction plans and specifications, and all bid phase services will not exceed \$62,300.00.

RECOMMENDATION:

Administration recommends approval.

Attachments

Master Services Agreement

Form 1295

HALFF Work Authorization

MASTER SERVICES AGREEMENT

This Master Services Agreement ("Agreement") is made by and between Halff Associates, Inc., a Texas corporation (herein sometimes referred to as "Halff") with an address at 1201 N. Bowser, Richardson, TX 75081 and the Town of Addison, Texas with an address at 16801 Westgrove Drive, Addison, Texas 75001 (herein sometimes referred to as "Client") (Halff and Client are sometimes referred to herein together as the "parties" and individually as a "party").

Recitals:

1. Halff is engaged in the business of providing various types of professional work and services, including engineering, architecture, landscape architecture, surveying, and other professional work and services identified generally in Exhibit A attached hereto and incorporated herein.

2. From time to time, Client has a need for the work and services that Halff provides, and may request Halff to provide one or more of the work and services identified in Exhibit A. As set forth in this Agreement, any such request will be made in writing to Halff, and the specific work and services to be provided by Halff pursuant to such request will be described in an instrument entitled "Work Authorization," the form of which is attached to this Agreement as Exhibit A-1.

3. In anticipation of the parties' agreeing to one or more Work Authorizations, Halff and Client desire by this Agreement to set forth certain of the terms, conditions and provisions that will govern Work Authorizations.

NOW, THEREFORE, for and in consideration of the above and foregoing Recitals, the benefits flowing to the parties, and other good and valuable consideration, the sufficiency of which is hereby acknowledged and agreed, Halff Associates, Inc. and the Town of Addison, Texas do contract and agree as follows:

Section 1. Work Authorizations and Scope of Services. As set forth in the Recitals, this Agreement anticipates the execution of one or more written Work Authorizations (see Exhibit A-1, Sample Work Authorization) and sets forth the terms and conditions pursuant to which Halff will provide Client the work and services (referred to herein as the "Services") specified herein and in each Work Authorization. Each Work Authorization shall specify the scope of Services to be performed, a general description of Client's project for which the Services are to be provided (the "Project"), the time period for performance, the agreed-upon fees, and any additional provisions applicable to such Services.

Halff shall serve as Client's design professional representative for each Work Authorization, providing professional services, consultation and advice with respect thereto. Halff's Services consist of that work and services performed by Halff and its owners, directors, officers, employees, agents, contractors, subcontractors, representatives, and consultants as more specifically defined in the individual Work Authorizations.

Halff shall not begin work on any Services until Client directs Halff in writing to proceed.

Section 2. Performance of Services; Standard of Care.

A. Halff will perform its Services in a manner consistent with that level of care and skill ordinarily exercised by reputable members of Halff's profession then providing similar services and practicing in the same locality, under similar conditions and at the date the Services are provided.

B. If included in a Work Authorization, the Services during construction of a Project for which the Services were provided will be limited to observation and testing of construction operations, except as may otherwise be set forth in the Work Authorization. Halff will not be responsible for constant or exhaustive inspection of the Project construction work, the means and methods of construction or the safety procedures employed by others.

C. Notwithstanding the foregoing or any other provision of this Agreement or any Work Authorization:

1. Halff represents and warrants that it is authorized by the State of Texas, as may be required by applicable law, rule, or regulation, to practice and provide the Services set forth in this Agreement and that any necessary licenses, permits or other authorization to perform such Services have been acquired as required by such law, rule, or regulation.

2. Halff and Client agree and acknowledge that Client is entering into this Agreement in reliance on Halff's professional abilities with respect to performing the Services described herein and in any Work Authorization.

3. Halff agrees to use its professional skill, judgment and abilities in the performance of the Services hereunder and shall abide by the standard of professional ethics and use the skill, care, and diligence commensurate with the requirements of its profession as is used by reputable members of its profession currently performing the same services in the Dallas, Texas metroplex area under similar conditions.

4. Halff shall perform the Services in accordance with all applicable laws, statutes, ordinances, regulations, codes and rules of any federal, state or local governmental entity, including the Town of Addison, or agency having jurisdiction over any matter related to this Agreement or any Project for which the Services are being provided by Halff, and in accordance with the standard of care set forth herein. Additionally, Halff agrees to perform its Services in a manner consistent with those standards, policies and orders that are applicable to the Services and which are timely provided to Halff, in writing, by Client, it being understood and agreed that Halff would not necessarily have such knowledge without same being provided by Client.

D. Halff shall perform all Services in a timely and professional manner, utilizing at all times an economical and expeditious manner for performing such Services consistent with the standards set forth herein and shall cause all subcontracted Services to be similarly undertaken and performed. Halff agrees to perform its Services in accordance and a manner consistent with the terms and conditions of this Agreement, including (without limitation) the standard of care set forth in this Agreement. Halff shall re-perform and otherwise remedy any Services provided by or for Halff (including any subcontracted Services) not meeting or satisfying the standard of care set forth herein without additional compensation.

E. Notwithstanding Client's review, approval or acceptance of any Services, and including any drawings, plans, documents, designs, materials, reports, proposals, records, specifications, deliverables, or any other instruments representing Halff's professional services prepared by or for Halff under or in connection with this Agreement (collectively, "Drawings"), Halff represents that such Services, including any Drawings shall be performed and provided in a manner consistent with the standard of care identified above.

Approval or acceptance by Client of any Services provided by or for Halff, and including any Drawings, shall not constitute nor be deemed a release of the responsibility and liability of Halff, its owners, officers, managers, employees, subcontractors, and consultants for the accuracy and competency of the same (and Halff shall be and remain liable to Client for damages caused by Halff's negligent or intentionally wrongful performance, acts or omissions, or willful misconduct, under this Agreement), nor shall such approval or acceptance be deemed to be an assumption of or an indemnification for such responsibility or liability by Client, including for any defect, error or omission in the same, it being understood that Client at all times is relying on Halff's skill and knowledge in preparing and providing the Services, including Drawings. Halff shall be wholly and solely responsible for the Services provided by any owner, officer, manager, employee, representative, agent, contractor or subcontractor of Halff.

F. Except for Halff's contractors and subcontractors, Halff has no control over the cost of labor, materials, or equipment furnished by others, or over the resources provided by others to meet project schedules, therefore, Halff's opinion of probable construction costs and of Project schedules, if any, shall be made on the basis of experience and qualifications as a professional engineer (or architect or other professional providing service to Client, as the case may be). Halff does not guarantee that proposals, bids, or actual project costs will not vary from Halff's cost estimates (opinions of probable construction cost) or that actual schedules will not vary from Halff's projected schedules. Halff agrees to promptly advise Client if it is or becomes aware or is provided with actual knowledge that construction or other costs may exceed the latest approved Project budget. If Halff is or becomes aware of the same, or such information is provided to Halff, it agrees to assist Client by making recommendations for corrective action.

G. Except as set forth in this Agreement and in any Work Authorization, Halff makes no other representation, guarantee, or warranty, express or implied, regarding the Services, communication (oral or written), report, opinion, or instrument of service provided under this Agreement.

Section 3. Halff's Responsibilities.

Notwithstanding any other provision of this Agreement, Halff will perform the Services as an independent contractor and shall not act as or be construed to be, and none of its owners, officers, employees, representatives, agents, contractors, or subcontractors shall act as or be construed to be, an agent or employee of Client, and nothing in this Agreement or any Work Authorization is intended to nor shall be construed to create a partnership, joint venture, joint enterprise, or agency relationship between the parties hereto or to allow Client to exercise discretion or control over the professional manner in which Halff performs the Services which are the subject matter of this Agreement. Halff shall be solely responsible for the conduct of its own employees and for any of its employees' compensation, benefits, contributions, and payroll taxes. Halff shall be wholly and solely responsible for any work or services provided by any

owner, officer, employee, agent, representative, contractor or subcontractor of Halff. Halff will (i) provide qualified staff to perform the Services specified in any Work Authorization; (ii) maintain records of site activities and costs for each Project for which Halff provides Services to Client for a period of four (4) years from completion of Halff's Services; (iii) work, to the extent reasonably possible, in coordination with Client's employees, contractors, consultants and other site staff so as not to impede the progress of a Project; and (iv) require its personnel to maintain a safe, clean and orderly work environment.

Halff shall be responsible for the professional quality, technical accuracy, and the coordination of all Drawings all work and Services furnished by, for, or on behalf of Halff under this Agreement.

Section 4. Term and Termination.

A. Term. The term of this Agreement shall commence on the date of execution of this Agreement, and shall continue in effect for a period of one (1) year thereafter (the "Initial Term"), or until terminated by either party as provided herein. Following the Initial Term and unless Client notifies Halff at least 30 days prior to the end of the Initial Term or any Renewal Term that Client is electing not to renew this Agreement (the "Non-Renewal Notice"), and subject to the termination provisions of this Agreement, this Agreement shall automatically renew for an additional one (1) year period and thereafter will automatically renew on each one year anniversary date for successive one (1) year periods, not to exceed three in number (so that, after the Initial Term, this Agreement will automatically renew for a total of four (4) successive one year periods, subject, however, to the Client's election to not renew this Agreement by giving Halff a Non-Renewal Notice, and to the termination provisions hereof) (each such successive one year period following the Initial Term being a "Renewal Term"). Each Renewal Term shall be on the same and subject to the terms, provisions, and conditions of this Agreement.

B. Termination for Convenience. This Agreement and/or any Work Authorization may be suspended or terminated at any time and for any (or no) reason by Client, in Client's sole discretion, by Client giving to Halff written notice of such suspension or termination, with such suspension or termination to be effective thirty (30) days after Halff's receipt of such notice or as may otherwise be described in such notice. In the event of such suspension or termination by Client, Halff shall have no recourse against Client except for payment of the Services of Halff performed hereunder in accordance with and subject to the terms, conditions, and provisions of this Agreement and for which Halff has not been paid.

C. Termination for Cause. Either party may terminate this Agreement (and any Work Authorization) if the other party breaches this Agreement (or Work Authorization, as the case may be) and (i) such breach remains uncured for a period of ten (10) days after notice thereof (which notice shall specifically identify the breach) is received by the breaching party, or (ii) if the breach cannot with diligence be cured within the said ten (10) day period, if within such ten (10) day period the breaching party provides the non-breaching party written notice of the curative measures which it proposes to undertake which are acceptable to the non-breaching party, and proceeds promptly to initiate such measures to cure such failure, and thereafter prosecutes the curing of such failure with diligence and continuity, the time within which such failure may be cured shall be extended for such period as may be necessary to complete the curing of such failure with diligence and continuity, but in any event not to exceed twenty (20) days following the occurrence of the breach.

D. Client shall compensate Halff for all Services properly performed by Halff under this Agreement and in accordance with the terms, conditions, and provisions hereof through the date of any termination. Upon the termination of this Agreement and any Work Authorization for any reason, Halff shall cause to be promptly delivered to Client a copy of all of Drawings (whether completed or partially completed) prepared by or for Halff in connection with this Agreement (and/or any Work Authorization). Upon termination of this Agreement for any reason, if Client has compensated Halff for Services not yet performed, Halff shall promptly return such compensation to Client.

Section 5. Compensation.

A. Halff shall be compensated for its Services either on a (i) time-and-materials basis with a not to exceed amount, (ii) fixed-price basis, or (iii) any other method, as mutually agreed upon and as specified in each Work Authorization.

B. Halff shall submit its invoices for Services rendered to Client monthly, which invoices shall be in form and content satisfactory to Client. Each invoice shall be accompanied by such documentation as Client may reasonably require to verify the accuracy of the invoice, including (i) identification of the personnel of Halff providing Services, the number of hours (or portion thereof) of Services provided by each such person, and the then current hourly billing rates for each such person, (ii) an itemized statement of reimbursable costs incurred (if any) and copies of any receipts or other documentation in support thereof, and (iii) the sum of all prior payments under this Agreement and any Work Authorization. Notwithstanding any terms to the contrary, Client agrees that Services performed on a fixed-price basis, including but not necessarily limited to a lump sum basis, shall not require Halff to submit those items listed in subitem (i) above. Halff shall not be entitled to any compensation for any Services not actually performed or for any lost profits as a result of any abandonment, termination, or suspension of any Services by Client. Except for any amount included in the invoice that Client may dispute in writing and subject to the terms, conditions and provisions of this Agreement, Client will pay Halff within thirty (30) days after the date of Client's receipt of Halff's invoice, and interest on an overdue payment may be charged to Client in accordance with Chapter 2251, Tex. Gov. Code. Interest on amounts that are past due shall be computed from the date the payment becomes overdue. Any provision hereof to the contrary notwithstanding, Client shall not be obligated to make payment to Halff hereunder if:

1. Halff is in default of any of its obligations under this Agreement, any Work Authorization, or any other documents in connection with a Project (and payment may be withheld to the extent of any such default);
2. Any part of such payment is attributable to any Services of Halff which are not performed in accordance with this Agreement and/or any applicable Work Authorization;
3. Halff has failed to make payment promptly to subcontractors or consultants or other third parties used by Halff in connection with Halff's Services hereunder for which the Client has made payment to Halff; or
4. If Client, in its good faith judgment and after consultation with Halff, determines that the portion of the compensation then remaining unpaid will not be sufficient

to complete the Halff's Services under this Agreement and/or any Work Authorization, no additional payments will be made to Halff hereunder unless and until Halff performs a sufficient portion of its Services so that such portion of the compensation remaining unpaid is determined by Client to be sufficient to complete the Halff's Services.

D. Halff shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management under this Agreement. With at least seven (7) days notice to Halff, Client and Client's representatives shall be afforded reasonable access to Halff's records, books, correspondence, instructions, drawings, receipts, subcontracts, purchase orders, memoranda, and other data relating to this Agreement during normal business hours at its Richardson, Texas office set forth above in order to audit or inspect the same. Halff shall preserve all such related documentation for a period of five (5) years after final payment is made to Halff.

Section 6. Insurance. At all times in connection with this Agreement, Halff shall purchase, provide and maintain in a company or companies lawfully authorized to do business in Texas such insurance coverages as set forth below:

A. Commercial General Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence and \$2,000,000 general aggregate for bodily injury and property damage, which coverage shall include products/completed operations (\$2,000,000 products/ completed operations aggregate) and contractual liability (including any indemnity obligations set forth in this Agreement). Coverage for products/completed operations must be maintained for at least two (2) years after the Services have been completed.

B. Workers Compensation insurance at statutory limits, including Employers Liability coverage a minimum limits of \$1,000,000 each-occurrence each accident/\$1,000,000 by disease each-occurrence/\$1,000,000 by disease aggregate.

C. Commercial Automobile Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence for bodily injury and property damage, including owned, non-owned, and hired car coverage.

D. Professional Liability coverage at minimum limits of \$5,000,000 covering claims resulting from acts, errors and omissions in the performance of professional services. A separate per project policy limit is to apply to the Services. This coverage must be maintained for at least four (4) years after any project for which professional services are provided is finally completed. If coverage is written on a claims-made basis, a policy retroactive date equivalent to the inception date of this Agreement (or earlier) must be maintained during the full term of this Agreement and during the four year period thereafter described herein.

With reference to the foregoing insurance, Halff shall specifically endorse applicable insurance policies as follows:

A. The Town of Addison, Texas shall be named as an additional insured with respect to General Liability and Automobile Liability.

- B. All liability policies shall contain no cross liability exclusions or insured versus insured restrictions applicable to the claims of the Town of Addison.
- C. A waiver of subrogation in favor of the Town of Addison, Texas shall be contained in the Workers Compensation and all liability policies.
- D. All insurance policies shall be endorsed to require the insurer to notify the Town of Addison Texas at least 30 days prior to any material change in the insurance coverage.
- E. All insurance policies shall be endorsed to the effect that the Town of Addison, Texas will receive at least 30 days notice prior to cancellation or non-renewal of the insurance.
- F. All insurance policies, which name the Town of Addison, Texas as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.
- G. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
- H. Insurance must be purchased from insurers that are financially acceptable to the Town of Addison.

All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Certificates of Insurance, satisfactory to Client, shall be prepared and executed by the insurance company or its authorized agent, delivered to Client simultaneously with the delivery of this fully executed Agreement (and updated as needed at least two weeks prior to the expiration of any applicable required coverage), and shall contain provisions representing and warranting the following:

- A. List each insurance coverage described and required herein. Such certificates will also include a copy of the endorsements necessary to meet the requirements and instructions contained herein.
- B. Shall specifically set forth the notice-of-cancellation and termination provisions to the Town of Addison, Texas.

Upon request, Consultant shall furnish the Client with complete copies of all insurance policies certified to be true and correct by the insurance carrier. Client reserves the right to review the insurance requirements contained herein and to adjust coverages and limits when deemed necessary and prudent by Client.

Section 7. Changes. Client or Halff may request changes to the scope of Services by altering, adding to, or deleting from the Services to be performed by Halff. If a change is requested, the parties agree to reasonably negotiate in good faith to determine changes in scope, any needed equitable adjustment to the price and time for performance of the affected Work Authorization, and if mutually agreed upon by the parties, to execute an amended Work Authorization.

Section 8. Force Majeure. Neither Halff nor Client is liable one to the other for any damages for delay in performance caused by acts of God, strikes, lockouts, accidents, fire, casualty, labor trouble, failure of power, governmental authority, riots, insurrections, war, acts or threats of terrorism, or other events or reasons of a like nature which are beyond the control of the party obligated to perform and not avoidable by the diligence of that party; in such event, the party obligated to perform shall give the other party prompt notice of such delay and the performance of this Agreement shall be excused for the period of such delay.

Section 9. Instruments of Service.

A. All Drawings shall be, belong to, and remain the sole property of Client for Client's exclusive use or re-use at any time without further compensation and without any restrictions. Without limiting the foregoing or any other provision of this Agreement, Client shall have the right to use the same for the purpose of completing the Project for which the Drawings were prepared. Should Client use the same for modifications or extensions of the Project for which the Drawings were prepared or on any other project without Halff's written consent to such use, Client does so at its own risk. At the time of completion of a Project, upon completion of the Services of Halff, at the time of any earlier termination of this Agreement, or at any time at the request of Client, Halff shall promptly provide all such Drawings to Client. Provided, however, Halff shall not be liable for any errors or omissions contained in any Drawings which are incomplete as a result of a suspension or termination where Halff is unable, because of such suspension or termination, to complete such Drawings.

B. Halff agrees to and does hereby grant and assign to Client all intellectual property rights (whether copyright or otherwise) in and to all Drawings in which Halff may have a copyright or other intellectual property interest, and to all Drawings as to which Halff may assert any rights or establish any claim under patent, copyright, or other intellectual property laws. Without limiting any other provision of this Agreement, Halff represents, to the best of its information, knowledge and belief that Client's use of such Drawings will not infringe upon any third parties' rights.

C. Notwithstanding any term or terms to the contrary, it is understood and agreed by the parties that nothing contained herein is intended to convey any intellectual property or any other rights to software, hardware or other tangible or intangible property that may be owned by others.

Section 10. Client's Responsibilities. Client agrees to convey and discuss with Halff all available material, data, and information possessed by Client pertaining to the Services, including, without limitation, the composition, quantity, toxicity, or potentially hazardous properties of any material known or believed to be present at any site, any hazards that may be present, the nature and location of underground or otherwise not readily apparent utilities, summaries and assessments of the site's past and present compliance status, and the status of any filed or pending judicial or administrative action concerning the site or Project.

Section 11. Halff's Indemnity Obligation.

A. In consideration of the granting of this Agreement and notwithstanding any other provision of this Agreement, Halff agrees to INDEMNIFY and HOLD HARMLESS

Client and Client's elected and appointed officials, its officers, employees, agents, representatives, and volunteers, individually or collectively, in both their official and private capacities (collectively, "Client Persons" and each being a "Client Person"), from and against any and all damages, including but not limited to damages for, related to, or arising out of injuries (including but not limited to death), losses, expenses, liability, penalties, proceedings, judgments, actions, demands, causes of action, suits, harm, and costs (including reasonable attorneys' fees and costs of defense), made upon or incurred by Client or by any other Client Persons directly or indirectly (collectively, "Claims"), that are caused by or result from an act of negligence, intentional tort, intellectual property infringement, or failure to pay a subcontractor or supplier committed by Halff or by Halff's employee, or Halff's agent, consultant under contract, or another entity over which Halff exercises control (Halff's employee, agent, consultant under contract, or such other entity being, collectively, "Halff Persons").

SUCH INDEMNITY AND HOLD HARMLESS OBLIGATION SHALL AND DOES INCLUDE CLAIMS ALLEGED OR FOUND TO HAVE BEEN CAUSED, IN WHOLE OR IN PART, BY THE NEGLIGENCE OR INTENTIONAL TORT OF AN ADDISON PERSON. However, when Claims arise out of the co-negligence or other co-liability of Client or other Client Person and Halff or any Halff Persons, Halff's liability under this Article shall be reduced by that portion of the total amount of the Claims (excluding attorneys' fees and costs incurred in defense of Claims) equal to Client Person or Persons' proportionate share of the negligence or other liability that caused the loss attributable to such negligence or other liability. Likewise, in such instance, Halff's liability for Client Person's defense costs and attorneys' fees shall be reduced by that portion of the defense costs and attorneys' fees equal to Client Person or Persons' proportionate share of the negligence or other liability that caused the loss attributable to such negligence or other liability.

B. The provisions in the foregoing subsection A. of this Section 11 are severable, and if any portion, sentence, phrase, clause or word included therein shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, void, or unenforceable in any respect (including, without limitation, for violating Section 271.904(a), Tex. Loc. Gov. Code, or Section 130.002(b), Tex. Civ. Prac. & Rem. Code), such invalidity, illegality, voidness, or unenforceability shall not affect any other provision thereof, and the provisions of subsection A. of this Section 11 shall be considered as if such invalid, illegal, void, or unenforceable provision had never been contained in this Agreement.

C. Halff shall promptly advise Client in writing of any claim or demand against Client or any other Client Person, Halff, or Halff Person arising out of Halff's activities under this Agreement and shall see to the investigation and defense of such claim or demand at Halff's sole cost and expense. Client Persons shall have the right, at Client Persons' option and at own expense, to participate in such defense without relieving Halff of any of its obligations hereunder. The obligations set forth in this Section shall survive the expiration or termination of this Agreement.

Section 12. No Control of Means or Methods of Others. Halff will not have control over or charge of, nor be responsible for the construction means, methods, techniques, sequences, or procedures, or for the safety precautions and programs of Client's separate contractors in connection with a Project for which Halff provides Services. Halff's Services do not include any

construction site safety obligations required for a Project by any applicable government code or regulation.

Section 13. Site Access. Client shall, as may be reasonably requested by Halff for the successful and timely completion of Services, provide Halff access to a Project construction site which is the subject of the Services, including third party sites (but only if Client is reasonably able (as determined by Client) to obtain such access), if required; provided, however, Halff shall make its best efforts to coordinate all of its Services so as not to interfere with any of Client's or a construction contractor's operations at a Project construction site.

Section 14. Assignment, Subcontracts. This Agreement does not create any right or benefit to anyone other than Client and Halff, and this Agreement shall not be assigned, transferred, subcontracted, or otherwise conveyed by either party hereto without the prior written approval of the other party. No assignment, transfer, subcontract, or other conveyance will release or discharge Halff from any duty or responsibility under this Agreement and any Work Authorization.

Section 15. Non-Waiver. Failure of either Party hereto, at any time, to enforce a provision of this Agreement shall in no way or event constitute a waiver of that provision, nor in any way affect the validity of this Agreement, any part hereof, or the right of either Party thereafter to enforce each and every provision hereof. No term or provision of this Agreement shall be deemed waived or any breached excused unless the waiver or excusing of the breach shall be in writing and signed by the party claimed to have waived or excused. Further, any consent to or waiver of a breach shall not constitute consent to or waiver of or excuse of any other different or subsequent breach.

Section 18. Severability. The terms and provisions of this Agreement are severable, and if any term or provision is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision is not a part hereof, and the remaining provisions hereof shall remain in full force and effect. In lieu of any illegal, invalid or unenforceable provision herein, the Parties agree to seek to negotiate the insertion of a provision as similar in its terms to such illegal, invalid or unenforceable provision as may be possible, with the intent that such added provision is legal, valid and enforceable.

Section 19. Governing Law; Venue. This Agreement and any Work Authorization shall be governed and construed in accordance with the laws of the State of Texas, without reference to choice of laws rules of any jurisdiction. Venue for any action, lawsuit, or proceeding under or in connect with this Agreement shall lie exclusively in Dallas County, Texas.

Section 20. Miscellaneous.

(a) *Notices.* For purposes of this Agreement, notices and all other communications provided for herein shall be in writing, addressed as provided hereinafter to the party to whom the notice or request is given, and shall be either (i) delivered personally, (ii) sent by United States certified mail, postage prepaid, return receipt requested, or (iii) placed in the custody of Federal Express Corporation or other nationally recognized carrier to be delivered overnight. Notice shall be deemed given when received if delivered personally

or if sent by Federal Express or other nationally recognized carrier; or seventy-two (72) hours after deposit if sent by certified mail.

Addresses for notices and communications are as follows:

To Halff:

Halff Associates, Inc.
1201 N. Bowser
Richardson, TX 75081

Attn: Walter Skipwith, P.E.

To Client:

Town of Addison, Texas
5300 Belt Line Road
Dallas, Texas 75254

Attn: City Manager

From time to time either party may designate another address within the State of Texas for all purposes of this Agreement by giving the other party not less than ten (10) days advance notice of such change of address in accordance with the provisions hereof.

(b) *Conflict of Interest.* Halff covenants and represents that Halff, its owners, officers, employees, and representatives will to the best of their knowledge have no financial interest, direct or indirect, in the purchase or sale of any product, materials or equipment that will be recommended or required in connection with any project for which Halff's Services are provided.

(c) *Survival.* Any claims, rights and remedies either party may have with respect to the other arising out of this Agreement and any Work Authorization and the performance thereof shall survive the cancellation, expiration or termination of this Agreement.

(d) *Authorized Signatories.* The undersigned officers and/or agents of the parties hereto are the properly authorized officials or representatives and have the necessary authority to execute this Agreement on behalf of each of the respective parties, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

(e) *Construction of Terms.* For purposes of this Agreement, (i) "includes" and "including" are terms of enlargement and not of limitation or exclusive enumeration, and use of the terms does not create a presumption that components not expressed are excluded, and (ii) "day" or "days" means calendar days. The use of any gender in this Agreement shall be applicable to all genders, and the use of singular number shall include the plural and conversely. Article and section headings are for convenience only and shall not be used in interpretation of this Agreement.

(f) *Rights and Remedies Cumulative.* The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law statute, ordinance, or otherwise.

(g) *No Third Party Benefits.* This Agreement and each of its provisions are solely for the benefit of the parties hereto and are not intended to create or grant any rights, contractual or otherwise, to any third person or entity.

(h) *Confidentiality.* Halff shall not divulge or release any information concerning its Services or this Agreement to the public or any third party without Client's prior written consent.

(i) *Immunity.* Notwithstanding any other provision of this Agreement, nothing in this Agreement shall or may be deemed to be, or shall or may be construed to be, a waiver or relinquishment of any immunity, defense, or tort limitation to which the Client, its officials, officers, employees, representatives, and agents are or may be entitled, including, without limitation, any waiver of immunity to suit.

(j) *Recitals; Exhibits.* The Recitals to this Agreement are incorporated into this Agreement and made a part hereof for all purposes. All appendices and exhibits to this Agreement referenced in this Agreement are incorporated herein by reference and made a part hereof for all purposes wherever reference is made to the same.

(j) *Entire Agreement.* The terms and conditions set forth herein, including any associated Work Authorizations, constitute the entire understanding and agreement of both parties with respect to the Services and to a Project for which such Services are being provided. Any amendment or revision to this Agreement shall be in writing and signed by an authorized representative from each party. Any oral modification or revision of this Agreement or any Work Authorization shall not operate to modify this Agreement or any Work Authorization.

In witness whereof, Halff and Client have caused this Agreement to be executed by their respective duly-authorized representatives as of this 5 day of February, 2014.

HALFF ASSOCIATES, INC.

By: Walter E. Skipwith

Typed name: Walter E. Skipwith

Title Chairman

Date of signing: 1/13/2014

TOWN OF ADDISON, TEXAS

By: Ron Whitehead
Ron Whitehead, City Manager

Date of signing: 2/5/14

Exhibit A

WORK AUTHORIZATION FORMAT AND REQUIREMENTS

- a. CITY may, from time to time, request CONSULTANT to perform work or render services hereunder ("Work"), including, without limitation, the following types of work and services:
 - Professional Services, including Engineering, Architecture and miscellaneous consulting;
 - Landscape Architecture;
 - Survey;
 - Right of Way Acquisition;
 - Geographic Information Systems (GIS);
 - Other professional services.
- b. CITY may submit its request(s) for Work to CONSULTANT in the form of a job order in a format similar to that provided in Exhibit A-1 attached or as mutually agreed upon by the parties to this Agreement. Upon CONSULTANT's acceptance of a job order, CONSULTANT shall commence the Work at the time specified by CITY and continue to diligently perform the Work without delay, in a safe and proper manner consistent with those services performed by similarly licensed and experience professional service CONSULTANTS, in strict conformity with the requirements contained in the job order. Each job order, and the Work to be performed thereunder, shall be governed by and subject to the terms and conditions of this Contract, regardless of whether this Contract is specifically referenced in such job order.
- c. CONSULTANT agrees to use its best diligent efforts to comply with the schedule requirements set forth and agreed for each project.
- d. Except as expressly and specifically permitted herein, in the event that any conflict exists between the provisions of this Contract and terms and conditions set forth in any job order, statement, purchase order, invoice, published rate schedule, delivery ticket or other type of memorandum, whether written or oral, between CITY and CONSULTANT pertaining to the subject matter hereof, the provisions of the Contract shall govern and control notwithstanding any provision to the contrary that may be contained in any such other instrument or agreement.

CONSULTANT's Work Authorizations shall be numbered sequentially using the sequence number in the name. For example, if the first Work Authorization under this Agreement and this Exhibit A, includes surveying and stream modeling, the applicable Work Authorization Number would be as follows:

Example: Work Authorization No. 1 – Surveying and Stream Modeling.

This nomenclature will allow the parties to see at a glance that this Work Authorization is the first Work Authorization of the project (i.e. 1) with a brief description of the services.

Exhibit A-1

WORK AUTHORIZATION CONFIRMATION

Work Authorization Number ____ :-

To: Town of Addison – Attn: Lisa Pyles

Date: _____

From: Walter E. Skipwith, P.E., D.WRE

AVO: 29751

Email: wskipwith@halff.com

Project: MASTER SERVICES AGREEMENT (MSA)
BETWEEN THE TOWN OF ADDISON AND
HALFF ASSOCIATES, INC. FOR
PROFESSIONAL SERVICES DATED
_____.

As requested, Halff Associates is pleased to propose engineering and related services for Engineering for _____. A detailed Scope of Services is included as Attachment 1.

It is estimated that these services can be accomplished for a lump sum fee of \$ _____ within a proposed completion time of _____, not including review time by the Town, its consultant, or permitting authorities. A detailed fee schedule is included as Attachment 2. Details of the project schedule are included as Attachment 3.

If this proposal meets with your approval, please sign below and return (1) copy to Halff Associates. Unless otherwise instructed in writing, the receipt of a fully executed Work Authorization will constitute approval of Work Authorization scope, fees and schedule and will serve as Halff's notice to proceed with the services described herein.

By: Lisa A. Pyles
(Print name)

Title: Director - Infrastructure Operations and Services

Signature: _____

Date: _____

- ☒ Attachment 1 – Scope of Services
- ☒ Attachment 2 – Fee Schedule
- ☒ Attachment 3 – Project Schedule
- ☒ Attachment 4 – Project Location

SIGNED: _____

COPIES:

☒ File

☐ Owner

☐ Contractor

☐ Other:

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 2

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY
CERTIFICATION OF FILING**

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Half Associates, Inc
Richardson , TX United States

Certificate Number:
2016-11147

Date Filed:
02/09/2016

Date Acknowledged:

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Town of Addison, Texas

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.

N/A
Engineering Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Skipwith , Adam	Richardson , TX United States	X	
	Tanksley, Dan	Richardson , TX United States	X	
	Moya , Michael	Austin , TX United States	X	
	Murray, Menton	McAllen , TX United States	X	
	Ickert, Andrew	Richardson , TX United States	X	
	Adams, Bobby	Houston , TX United States	X	
	Molloy, Martin	Richardson, TX United States	X	
	Romanowski, Michael	Fort Worth , TX United States	X	
	Craig , Matthew	Richardson, TX United States	X	
	Kunz, Patrick	Richardson, TX United States	X	
	Plugge , Roman	Richardson , TX United States	X	
	Kuhn , Gregory	Richardson, TX United States	X	
	Killen , Russell	Richardson , TX United States	X	

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

2 of 2

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Half Associates, Inc
Richardson, TX United States

Certificate Number:
2016-11147

Date Filed:
02/09/2016

Date Acknowledged:

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Town of Addison, Texas

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.

N/A
Engineering Services

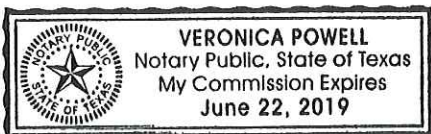
4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.

☐

6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



AFFIX NOTARY STAMP / SEAL ABOVE

Timothy J. Mackey
Signature of authorized agent of contracting business entity

Sworn to and subscribed before me, by the said Veronica Powell, this the 9 day of Feb., 2016, to certify which, witness my hand and seal of office.

[Signature]
Signature of officer administering oath

Veronica Powell
Printed name of officer administering oath

Notary
Title of officer administering oath

TOWN OF ADDISON, TEXAS

WORK AUTHORIZATION CONFIRMATION

Work Authorization Number 21: – Winnwood Pond 2016 Dredging Project

TO: Wesley S. Pierson

Date: February 9, 2016

From: Timothy E. Lackey, P.E. RPLS

AVO: 29751

Email: tlackey@halff.com

Project: MASTER SERVICES AGREEMENT (MSA)
BETWEEN THE TOWN OF ADDISON AND
HALFF ASSOCIATES, INC. FOR
PROFESSIONAL SERVICES DATED
2/5/2014.

Signed: _____



As requested, Halff Associates is pleased to propose engineering and related services for Winnwood Ponds Rebidding for Dredging. A detailed Scope of Services is included as Attachment 1.

The terms and conditions of the Master Services Agreement dated February 5, 2014, are incorporated as if fully set forth herein.

It is estimated that these services can be accomplished for a lump sum fee of **\$62,300**. It is anticipated that engineering and construction phase services can be completed in a period of **4 months**. Fee breakdown is included as Attachment 2. Note Construction Phase services, and Aquatic relocation phase services are not a part of this work authorization but will be offered as a subsequent fee and scope authorization.

A private contractor through procurement of a bidding phase will perform the following tasks through an agreement or contract with the Town of Addison.

1. Place temporary construction drives
2. Dewater Ponds
3. Removal and disposal of silt material
4. Removal and disposal of concrete fountains
5. Replacement of damaged landscaping.

If this proposal meets with your approval, please sign below and return (1) copy to Halff Associates. Unless otherwise instructed in writing, the receipt of a fully executed Work Authorization will constitute approval of Work Authorization scope, fees and schedule and will serve as Halff's notice to proceed with the services described herein.

By: Wesley S. Pierson

Title: City Manager

Signature: _____

Date: _____

☒ Attachment 1 – Scope of Services

☒ Attachment 2 – Fee Schedule

SIGNED: _____

COPIES:

☒ File

☐ Owner

☐ Contractor

☐ Other:

Work Authorization No.21 - Winnwood Ponds 2016 Dredging Project

Attachment 1: Scope of Services

Project description

The scope of work to be performed under this work authorization shall generally consist of engineering, environmental and surveying services necessary to design and permit the dredging of the three Winnwood Ponds in the Town of Addison. All three ponds will be combined into one dredging construction bid package.

CONSULTANT shall provide the following services to permit and prepare bid-ready construction documents in accordance with recognized industry standards which are similar in size, scope, and budget to the project:

1 Project Management - attend project kick-off meeting with town staff to determine project goals and criteria, prepare monthly progress reports, including schedule and budget status, and implement project quality control plan

1.1 Project coordination and reporting

1.2 Up to four (4) project meetings with town staff

1.3 Quality assurance/quality control reviews.

2 Winnwood Ponds - Dredging and Desilting Design and Permitting. Note: based on available historical hydrologic data, the Winnwood Ponds are on-stream ponds and were created by construction of channel dams. According to Texas Parks and Wildlife Department (TPWD) guidelines, a mussel presence/absence survey for state-listed threatened mussel species by a TPWD-permitted malacologist was performed and a relocation plan will need to be prepared by TPWD permitted malacologist. Halff has a TPWD-permitted malacologist on staff.

2.1 Establish baseline conditions.

Since the original baseline surveys, there has been a significant rainfall period of approximately 62 inches of rainfall in last 12 months. Changes in silt loading are noteworthy and therefore new baseline levels are proposed to be measured.

2.1.1 Field recon

2.1.2 Pond hydrography (underwater surveying)

2.1.3 Topographic surveys

2.1.4 Base map preparation

2.2 Use of US Army Corps of Engineers (USACE) Letter of Permission (LOP). Note: Letter of Permission was received 3/24/2015. Halff proposes to prepare designs per the existing LOP in current standing.

2.3 Presence absence survey to attempt to demonstrate absence of state listed threatened mussel species. Halff proposes to use the current study completed and in place.

2.4 Sediment sampling and analysis. Halff proposes to use the current sampling report completed and in place.

2.5 Prepare preliminary drawings

2.6 Prepare final drawings

3 Specifications, and Bid Phase Services - all ponds to be bid in one dredging package.

3.1 Prepare specifications for dredging operations

3.2 Prepare environmental permit specifications including restoration and fish relocation guidance and requirements

3.3 Bid phase services

3.3.1 Attend pre- bid meeting

3.3.2 Prepare addenda as required

3.3.3 Attend bid opening

3.3.4 Tabulate bids

3.3.5 Contact references of apparent low bidder

3.3.6 Provide bid tabulations and reference results

3.4 Construction and post-construction phase services

3.4.1 Construction phase services are not a part of this work authorization but will authorized through subsequent scope and fee submittal.

3.5 Coordinate with Contractor during dewatering phase and perform aquatic Species Relocation Activities (ARRP) for Winnwood three ponds.

3.5.1 The Coordination, preparation of ARRP and communication between Halff, the Town of Addison, the Construction Contractor, and TPWD are not a part of this work authorization but will be authorized through a subsequent scope and fee submittal.

4. Exclusions - the following services can be provided as additional services if requested

4.1 Dam design, safety review, or certifications

4.2 Review of water rights

4.3 Boundary survey

4.4 Right of entry

4.5 Right of way services

4.6 Landscape architecture

4.7 Infiltration, exfiltration, permeability testing or design of lining

4.8 Design of fore bay, inlet or outlet

4.9 Relocation of endangered species if necessary.

4.10. Construction Phase Services.

4.11. Required Aquatic Resources Relocation Plan and Services.

4.12. Required Construction Phase Notification for USACOE LOP.

Attachment 2

Work Authorization #21.

Fee Summary Schedule

No.	Task Description	Task Fee	Phase Total
1	Project Management		\$13,000
1.1	Project coordination and reporting	\$5,200	
1.2	Project Meetings (4)	\$5,400	
1.3	QA/QC Reviews	\$2,400	
2	Winnwood Ponds		\$36,000
2.1	Establish Baseline Conditions	\$14,100	
2.2	Use of US Army Corp of engineers Letter of Permission	\$0	
2.3	Mussels Presence/Absence Survey	\$0	
2.4	Sediment Sampling and Analysis	\$0	
2.5	Prepare Preliminary Drawings	\$11,300	
2.5	Prepare Final Drawings	\$10,600	
3.	Specs/Bidding/Construction		\$13,300
3.1	Prepare Specification for Dredging	\$5,100	
3.2	Prepare Environmental Specifications	\$1,500	
3.3	Bid Phase Services	\$6,700	
3.4	Construction Phase Services	NOT INCLUDED.	
3.5	Aquatic Resource Relocation Plan and Services	NOT INCLUDED.	
Work Authorization #21 Total Lump Sum Fee		\$62,300	\$62,300

Note: Task Fee breakdown for reference only. Fees for individual tasks may vary

Work Session and Regular Meeting**Meeting Date:** 02/23/2016**Department:** Infrastructure- Development Services

AGENDA CAPTION:

Consider And Approve Authorizing The City Manager To Approve Final Payment To Pavecon Public Works, LP, For **The Rehabilitation of Addison Road** In An Amount Not To Exceed \$149,096.47.

BACKGROUND:

The Addison Road Rehabilitation project involved some limited full depth repairs to the roadway as well an overlay from just north of the railroad tracks to the northern city limits. Addison Road had failed in a number of locations and was in need of repair. The roadway rehabilitation was designed and constructed to eliminate several areas of full-depth failures and provide a surface free from cracking, with the ultimate goal of creating a roadway that will hold for 7 to 10 years until a full assessment of the plan for the roadway can be finalized. Continued maintenance of the roadway will be necessary during this timeframe.

Staff has completed the final inspection of the rehabilitation and all of the work and the punch list items have been satisfactorily completed. The contractor worked well with staff and the schedule requirements and was able to complete work adjacent to Trinity Christian Academy on the first day of school, thereby easing the interference with parents dropping off students.

This action item is to authorize the City Manager to approve the final payment and to release the retainage from the total contract amount to the contractor, Pavecon Public Works, LP.

The original amount of the contract was \$1,516,355.89 and was budgeted in the Streets Capital Projects account. There were no change orders. Due to some material savings, the actual cost of the rehabilitation is \$1,490,964.69, resulting in a savings from the original contract amount of \$25,391.20. The Town requires a 2 year maintenance bond for construction projects. This means that Pavecon will be responsible for repairing failures due to workmanship during this 2 year period.

RECOMMENDATION:

Administration recommends approval

Attachments

Pay App

APPLICATION AND CERTIFICATION FOR PAYMENT

AIA DOCUMENT G702

TO OWNER: Town of Addison
Attn: Wil Newcomer
P.O. Box 9010
Addison, Texas 75001

FROM CONTRACTOR:
Pavecon Public Works, LP
P. O. Box 535847
Grand Prairie, TX 75053

VIA ARCHITECT:
PROJECT: Addison Rd Rehab
Addison Road
Addison, Tx 75001

APPLICATION NO: 15-03-512.5 & FINAL RET. Distribution to:

<input type="checkbox"/>	OWNER
<input type="checkbox"/>	ARCHITECT
<input type="checkbox"/>	CONTRACTOR

PERIOD TO: 01/31/16

PROJECT NOS: 15-03-512

CONTRACT DATE: 07/15/15

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract Continuation Sheet, AIA Document G703, is attached.

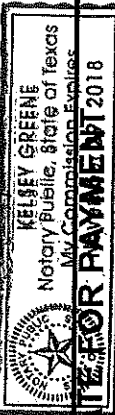
1. ORIGINAL CONTRACT SUM
\$ 1,516,355.89
2. Net change by Change Orders
\$ 0.00
3. CONTRACT SUM TO DATE (Line 1 + 2)
\$ 1,516,355.89
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)
\$ 1,490,964.69
5. RETAINAGE:
a. 0% of Completed Work (Column D + E on G703) \$ 0.00
b. % of Stored Material (Column F on G703) \$ 0
Total Retainage (Lines 5a + 5b or Total in Column I of G703) \$ 0.00
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)
\$ 1,490,964.69
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)
\$ \$1,341,868.22
8. CURRENT PAYMENT DUE
\$ 149,096.47
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)
\$ 0.00

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$0.00	\$0.00
Total approved this Month		
TOTALS	\$0.00	\$0.00
NET CHANGES by Change Order	\$0.00	

CONTRACTOR: Pavecon Public Works, LP.

By: *[Signature]* Date: 2-3-16

State of: Texas County of: Dallas
Subscribed and sworn to before me this 3rd day of February, 2016. #12592649-0
Notary Public: *[Signature]*
My Commission expires 11-29-18



ARCHITECT'S CERTIFICATE FOR PAYMENT 2018

In accordance with the Contract Documents, based on our on-site observations and the data comprising the application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 149,096.47

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

By: *[Signature]* Date: 2/12/16

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

THE AMERICAN INSTITUTE OF ARCHITECTS, 1736 NEW YORK AVE., N.W., WASHINGTON, DC 20006-5292

AIA DOCUMENT G702 - APPLICATION AND CERTIFICATION FOR PAYMENT - 1992 EDITION - AIA - ©1992
Users may obtain validation of this document by requesting a completed AIA Document D401 - Certification of Document's Authenticity from the Licensee.

BILLS PAID AFFADAVIT

STATE OF TEXAS
COUNTY OF DALLAS

Before me, the undersigned authority, on this day personally appeared Brian Cottle, known to me to be a credible person and officer of Pavecon Public Works LP (hereinafter called "Contractor"), and who, being duly sworn, upon his oath declares and acknowledges as follows:

1. I am the duly authorized agent for the said Contractor, which has authorized me to make this affidavit, and all of the recitations herein are true and correct.
2. Pursuant to an agreement dated 7/20/2015 between Pavecon Public Works LP and Town of Addison (the "Owner"), Contractor has supplied materials and performed labor in connection with the construction of improvements upon certain real property owned by the Owner in Dallas County, Texas. Said improvements are more particularly described as Addison Road Rehabilitation 2015 in Addison, Dallas County, Texas.
3. Contractor has actual knowledge that all bills owed by Contractor to others for materials supplied or labor performed in connection with the Improvements have been fully paid and satisfied except for contractual retainage as set out below. Contractor does further warrant that should any claim or lien be file for material supplied or labor performed per virtue of Contractor's participation in the construction of said Improvements, Contractor will immediately furnish a bond pursuant to Texas Property Code, sections 53.236 through 53.238, for release of such lien, and obtain settlement of any such liens and furnish Owner writer full release of such liens. Should Contractor be unable to obtain such release, Contractor agrees to fully indemnify and hold harmless the Owner for any and all costs they may incur by reason of such liens.
4. EXCEPTIONS. The Contractor specifically excepts from this affidavit its rights and entitlement to payment of retainage in the amount of \$ 149,096.47. Said retainage to be due and payable to Contractor and retainage to subcontractors to be paid by Contractor upon receipt of said retainage from Owner.

EXECUTED this 3rd day of February, 2016.

Pavecon Public Works, LP

By: [Signature]

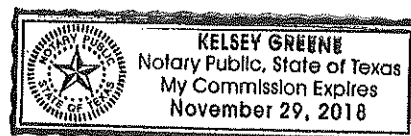
Brian Cottle, PW Vice President

SUBSCRIBED AND SWORN TO BEFORE ME by the said Brian Cottle
this the 3rd day of February, 2016 to
Certify which witness my hand and seal of office

[Signature]
Notary Public in and for the
State of Texas

My Commission Expires: 11/29/18

#12592649-0



CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Pavecon Public Works, LP
Grand Prairie, TX United States

Certificate Number:
2016-12257

Date Filed:
02/11/2016

Date Acknowledged:

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Town of Addison

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.

15-31
Cement stabilized subgrade and Asphalt Resurface

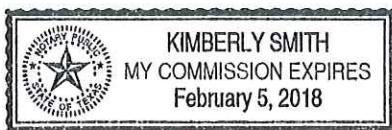
4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Murphy, Marty	Grand Prairie, TX United States	X	

5 Check only if there is NO Interested Party.


☐

6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

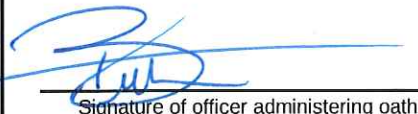


AFFIX NOTARY STAMP / SEAL ABOVE



Signature of authorized agent of contracting business entity

Sworn to and subscribed before me, by the said Marty Murphy, this the 15th day of February, 2016, to certify which, witness my hand and seal of office.



Signature of officer administering oath

Brian Cottle Vice President

Printed name of officer administering oath

Title of officer administering oath

Work Session and Regular Meeting**Meeting Date:** 02/23/2016**Department:** Communications & Marketing

AGENDA CAPTION:

Consider A **Resolution Authorizing The City Manager To Enter Into A Grant Funding Agreement With The Cavanaugh Flight Museum** In An Amount Not To Exceed \$50,000.00.

BACKGROUND:

Since 2008, the Town of Addison has been providing the Cavanaugh Flight Museum with an annual grant of \$50,000 to assist with marketing efforts. These funds are currently included in the Fiscal Year 2015-2016 Hotel Fund Marketing budget. As was the case this year with the other non-profit organizations supported by Addison, Cavanaugh has completed and submitted Addison's new Non-Profit Assistance Application. Since the museum does not complete an audit each year, they have submitted their most recent audit and have agreed to provide the Town with an updated one as soon as it is complete.

Warbird rides continue to be a popular draw for the museum. In 2015, despite a rainy first half of the year that reduced the number of possible days to offer rides from 150 to 92, the museum was still able increase ride revenues 34% over last year.

The weather also dampened attendance figures early in the year; however, the establishment of two new events helped ensure that numbers were relatively flat - and not down - from last year even in spite of the slow start. The museum typically draws approximately 32,000 visitors per year and last year topped 31,000. "Drones Wars" was responsible for not only bringing people to the museum, but also media. The event garnered 15 media segments, including 10 television interviews, which reached an estimated 38 million people.

All of the media stories mention Addison and/or Addison Airport in conjunction with the story. The second new event in 2015, "Ultimate Access," was an aviation school held at the museum. The event drew 35 photographers and their families from around the country to Addison.

The Cavanaugh is one of the few unique attractions in Addison. With continued success from events like Drone Wars the museum is able to broaden their demographic reach and enable them to remain relevant to a consumer that Addison already targets. It is staff's recommendation that we continue to fund the Cavanaugh's grant request at \$50,000.

RECOMMENDATION:

Administration recommends approval.

Fiscal Impact

Budgeted Yes/No: Yes

Funding Source: Hotel Fund

Amount: \$50,000

Attachments

Cavanugh Financial Information

Cavanaugh Grant Request

Resolution with Agreement

THE CAVANAUGH FLIGHT MUSEUM

FINANCIAL REPORT

DECEMBER 31, 2012

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FINANCIAL STATEMENTS

Statement of Financial Position.....	3
Statement of Activities.....	4
Statement of Cash Flows.....	5
Notes to Financial Statements	6

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
The Cavanaugh Flight Museum
Addison, Texas 75001

We have audited the accompanying statements of The Cavanaugh Flight Museum (the Museum), which comprise of the statement of financial position as of December 31, 2012, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

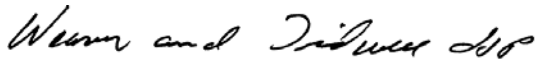
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Cavanaugh Flight Museum

Page 2

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Cavanaugh Flight Museum at December 31, 2012, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Weaver and Tidwell LLP".

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
December 19, 2013

**THE CAVANAUGH FLIGHT MUSEUM
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2012**

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 199,585
Accounts receivable	17,783
Prepaid expenses	35,764
Inventories	<u>37,027</u>

Total current assets 290,159

EQUIPMENT AND MUSEUM COLLECTIONS

Furniture and equipment	472,928
Vehicles	118,788
Leasehold improvements	14,921
Museum collections	<u>3,977,409</u>

	4,584,046
Accumulated depreciation	<u>(456,643)</u>

Equipment and museum collections, net 4,127,403

TOTAL ASSETS \$ 4,417,562

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 120,389
Current maturities of capital leases	3,979
Accrued liabilities	33,019
Deferred revenues	<u>45,496</u>

Total current liabilities 202,883

CAPITAL LEASE OBLIGATIONS, less current maturities 7,081

NET ASSETS

Unrestricted	<u>4,207,598</u>
--------------	------------------

Total net assets 4,207,598

TOTAL LIABILITIES AND NET ASSETS \$ 4,417,562

The Notes to Financial Statements are
an integral part of this statement.

**THE CAVANAUGH FLIGHT MUSEUM
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	For the Year Ended December 31, 2012		
	Unrestricted	Temporarily Restricted	Total
DONATIONS, ADMISSIONS, AND OTHER SUPPORT			
Donations	\$ 145,265	\$ -	\$ 145,265
Related party contributions	1,637,458	-	1,637,458
Memberships	9,475	-	9,475
Flight museum and vending machine sales	100,031	-	100,031
Flights and airshows	449,823	-	449,823
Fundraising events	111,048	-	111,048
Admission fees	137,924	-	137,924
Rental	52,483	-	52,483
Other	32,718	-	32,718
Net assets released from restrictions	5,000	(5,000)	-
Total donations, admissions, and other support	2,681,225	(5,000)	2,676,225
EXPENSES			
Programs services	1,722,758	-	1,722,758
Management and general	550,775	-	550,775
Fundraising	81,725	-	81,725
Total expenses and losses	2,355,258	-	2,355,258
CHANGE IN NET ASSETS	325,967	(5,000)	320,967
NET ASSETS, BEGINNING OF YEAR	3,881,631	5,000	3,886,631
NET ASSETS, END OF YEAR	\$ 4,207,598	\$ -	\$ 4,207,598

The Notes to Financial Statements are
an integral part of this statement.

**THE CAVANAUGH FLIGHT MUSEUM
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2012**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 320,967
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:	
Donated equipment and collections	(170,010)
Depreciation	79,279
Changes in assets and liabilities:	
Increase in accounts receivable	(8,043)
Decrease in prepaid expenses	53,087
Increase in inventory	(2,345)
Decrease in accounts payable	(47,717)
Increase in accrued liabilities	7,386
Decrease in deferred revenues	<u>(6,159)</u>

Net cash provided by operating activities 226,445

CASH FLOWS FROM INVESTING ACTIVITIES

Additions of equipment and collections	<u>(217,526)</u>
--	------------------

Net cash used in investing activities (217,526)

CASH FLOWS FROM FINANCING ACTIVITIES

Payments on capital lease	<u>(4,345)</u>
---------------------------	----------------

Net cash used in financing activities (4,345)

Net change in cash and cash equivalents 4,574

CASH AND CASH EQUIVALENTS, beginning of year 195,011

CASH AND CASH EQUIVALENTS, end of year \$ 199,585

Supplemental disclosure of cash flow information:

Cash paid during the year for interest	<u><u>\$ 10,847</u></u>
--	-------------------------

Non-cash operating activities

Contribution of free use of facilities	<u><u>\$ 385,360</u></u>
--	--------------------------

THE CAVANAUGH FLIGHT MUSEUM NOTES TO FINANCIAL STATEMENTS

NOTE 1. HISTORICAL BACKGROUND AND ACCOUNTING POLICIES

The Cavanaugh Flight Museum (the Museum) is an educational organization devoted to promoting aviation studies and to perpetuating America's aviation heritage. The Museum fulfills its mission by restoring, operating, maintaining and displaying historically-significant vintage aircraft and by collecting materials related to the history of aviation. It was opened during 1993 by Jim Cavanaugh in Addison, Texas and became a non-profit 501(c)(3) on December 22, 2002.

Basis of Accounting

The Museum maintains its books on the full accrual method of accounting where income is recorded when earned and expenses are recognized when incurred.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its guidance of the presentation of financial statements for not-for-profit organizations. Under the FASB guidance, the Museum is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and Cash Equivalents

The Museum considers all unrestricted, highly-liquid investments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable arise from the use of museum collections by outside parties (airshows, flyovers, etc.), memberships, and others services provided. Management periodically reviews accounts receivable on an individual account basis and makes a determination of collectability based on historical data, contract information, and account size. Accounts are written off when it appears that collection efforts will not be successful.

Inventory

Inventory of museum products held for sale is valued at the lower of cost or market, with cost determined on an average cost basis.

Equipment and Museum Collections

The Museum's collections consist primarily of historically significant vintage aircraft and materials related to the history of aviation.

THE CAVANAUGH FLIGHT MUSEUM NOTES TO FINANCIAL STATEMENTS

NOTE 1. HISTORICAL BACKGROUND AND ACCOUNTING POLICIES – CONTINUED

Equipment and Museum Collections – Continued

Donations of equipment and museum collections are recorded as support at their estimated fair value on the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire equipment and museum collections are reported as restricted support.

Absent donor stipulations regarding how long those donated assets must be maintained, the Museum reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Museum reclassifies temporarily restricted net assets at that time. Gains and losses on disposals of donated collections are recorded based on the presence or absence of donor restrictions.

All non-donated additions of equipment and museum collections equal to or greater than \$1,000 are capitalized and stated at cost. Maintenance and repairs of equipment and collections are expensed as incurred; major renewals and betterments are capitalized.

Depreciation expense is recorded on equipment using the straight-line method calculated at various rates based on the estimated useful lives of the assets ranging from three to seven years. Depreciation expense for the year ended December 31, 2012 was \$79,279. Museum collections are not depreciated. During 2013, the Museum increased their capitalization policy from \$200 to \$1,000. Due to this change in the estimate of the continuing benefits of assets capitalized below \$1,000 in prior years, the undepreciated balances of those assets (approximately \$25,000) have been adjusted to depreciation in the current year.

Financial Instruments

The recorded values of the Museum's financial instruments (cash and cash equivalents, accounts receivable and accounts payable) approximate their fair values based on their short-term nature.

Revenue Recognition

Revenues are derived primarily from contributions of equipment and collections, cash contributions and museum admissions and inventory sales. Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**THE CAVANAUGH FLIGHT MUSEUM
NOTES TO FINANCIAL STATEMENTS**

NOTE 1. HISTORICAL BACKGROUND AND ACCOUNTING POLICIES – CONTINUED

Advertising

The Museum expenses advertising costs when incurred. The advertising expense for the year ended December 31, 2012 was \$51,382.

Income Taxes

Effective for tax years beginning after December 22, 2002, the Museum obtained a ruling allowing it to change its tax status to a non-profit organization that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Museum adopted an accounting pronouncement related to accounting for uncertainly in income taxes. The pronouncement requires that the Museum recognize in its financial statements the financial effects of a tax position, if that position is more likely than not of being sustained upon examination, including resolution of any appeals or litigation processes, based upon the technical merits of the position. The pronouncement also provides guidance on measurement, classification, interest and penalties and disclosure. Tax positions taken related to the Museum's not-for-profit status have been reviewed and management is of the opinion that material positions taken by the Museum would more likely than not be sustained by examination. Accordingly, the Museum has not recorded an income tax liability for uncertain tax benefits. As of December 31, 2012, the Plan's tax years 2009 and thereafter remain subject to examination for federal tax purposes.

Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenue and expenses. Actual results could vary significantly from the estimates that were used.

Subsequent Events

The Museum has evaluated all subsequent events through December 19, 2013, the date these financial statements were issued, and determined there are no material recognized or unrecognized subsequent events.

NOTE 2. DEFERRED REVENUES

The Museum offers gift certificates for airplane flights. These gift certificates, which expire within one year of purchase, are recorded as deferred revenues at the purchase price until redeemed or expired. As of December 31, 2012, the total value of issued gift certificates valid and outstanding was \$45,496.

**THE CAVANAUGH FLIGHT MUSEUM
NOTES TO FINANCIAL STATEMENTS**

NOTE 3. RELATED PARTY CONTRIBUTIONS

The Museum receives contributions in various forms from certain board members or businesses directly related to those board members. Such contributions are classified as related party transactions.

The facilities used by the Museum are owned or leased by a board member or related business and are provided free of charge. The estimated fair value of the donated use of these facilities was determined based on actual rent paid for the space (if leased) or similar spaces (if owned) and is included in rent expense and related party contributions. The total fair value of the donated use of facilities by the board member was \$60,000. During the year ended December 31, 2012, the related business provided cash contributions of \$325,360 for the use of facility expenditures.

Occasionally, the Museum receives donated property, including museum collections, from a related party. These donations are reported at the estimated fair value at the date of donation. Donated property received was \$150,000 during the year ended December 31, 2012.

Also during the year ended December 31, 2012, related parties gave \$1,102,098 through donations of cash or reimbursement of expenses.

NOTE 4. USE AGREEMENTS

In March 2013, the Museum renewed Use Agreements with Cavanaugh Air, L.L.C. and Cavanaugh Collections, Inc. (both related parties and, collectively, the Owners). Through these agreements, the Museum is granted exclusive use of various aircraft owned by the Owners through February 2018. The aircraft included under the agreements are not included in the Museum Collections total included on the Balance Sheet at December 31, 2012.

NOTE 5. CONCENTRATIONS

The Museum maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Museum has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

The Museum derives its revenue from contributions, programs and admissions which are affected by economic conditions, public perception and donor satisfaction. Approximately 61% of the Museum's total support for the year ended December 31, 2012 was received from related parties. One individual was responsible for providing approximately 48% of total support.

**THE CAVANAUGH FLIGHT MUSEUM
NOTES TO FINANCIAL STATEMENTS**

NOTE 6. FUNCTIONAL EXPENSE ALLOCATION

Directly identifiable expenses are charged to program and support services. Expenses related to more than one function are charged to program and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Museum.

The functional expense allocation at December 31, 2012 is as follows:

Description	Total Expenses	Program Services	Management and General	Fund- Raising
Aircraft expense	\$ 222,297	\$ 222,297	\$ -	\$ -
Airshow expense	100	100	-	-
Auto expense	30,633	5,749	24,884	-
Aviation fuel	59,146	59,146	-	-
Contract services	800	800	-	-
Cost of sales - inventory	51,479	51,479	-	-
Depreciation	79,279	78,512	767	-
Flight training/physicals	6,129	6,129	-	-
Insurance	142,047	116,006	26,041	-
Maintenance, supplies, shop expense	111,190	73,019	38,171	-
Operating expenses	634,627	593,383	41,244	-
Other	28,198	27,720	478	-
Professional services	61,600	20,600	41,000	-
Payroll, taxes, and benefits	744,446	366,256	378,190	-
Special events	183,287	101,562	-	81,725
	<u>\$ 2,355,258</u>	<u>\$ 1,722,758</u>	<u>\$ 550,775</u>	<u>\$ 81,725</u>

**THE CAVANAUGH FLIGHT MUSEUM
NOTES TO FINANCIAL STATEMENTS**

NOTE 7. CAPITAL LEASE OBLIGATIONS

During the year ended December 31, 2010, the Museum entered into a capital lease agreement for security equipment which expires March 2015. The amortization of the capital lease asset is included in depreciation expense. The following is a summary of the leased asset included in furniture and equipment at December 31, 2012:

Equipment	\$ 23,700
Less accumulated depreciation	<u>(12,245)</u>
Net Book Value	<u><u>\$ 11,455</u></u>

Future minimum commitments under the capital lease are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	4,490	1,270	5,760
2014	5,162	598	5,760
2015	<u>1,408</u>	<u>33</u>	<u>1,441</u>
Total	<u><u>\$ 11,060</u></u>	<u><u>\$ 1,901</u></u>	<u><u>\$ 12,961</u></u>



Cavanaugh Flight Museum

2016 Grant Request

Cavanaugh Flight Museum

501(C) 3 Non-Profit Educational Organization - www.cavflight.org
Addison Airport, 4572 Claire Chennault, Addison, Texas 75001 (972) 380-8800



2015-2016 NONPROFIT ASSISTANCE APPLICATION

Name of organization: Cavanaugh Flight Museum Tax ID Number: 75-3088417

Executive Director Name: Doug Jeanes Email: djeanes@cavflight.org

Address: 4572 Claire Chennault City: Addison Zip: 75001

Telephone: 972-380-8800 Fax: _____

Web Site: cavflight.org

Grant Contact Name: Scott Slocum Title: Marketing Manager

Email: sslocum@cavflight.org Telephone: 972-380-8800

Program title: Annual Grant Program date(s): Year 2016

Grant request for 2015-2016: \$50,000.00

Previous grants requested: 2014-15: \$50,000.00 2013-14: \$ 50,000.00 2012-13: \$50,000.00

Previous grants/received: 2014-15: \$50,000.00 2013-14: \$ 50,000.00 2012-13: \$50,000.00

Number of paid staff: 14 Number of volunteers: 85

Tax Exempt: ☒ Yes ☐ No

ORGANIZATION DESCRIPTION: Provide a brief description of your organization, including a summary of mission statement and/or objectives.

The Cavanaugh Flight Museum is a non-profit 501(c)(3) educational organization devoted to promoting aviation studies and to perpetuating America's aviation heritage; the museum fulfills its mission by restoring, operating, maintaining and displaying historically-significant, vintage aircraft, and by collecting materials related to the history of aviation.

PROGRAM DESCRIPTION: Provide a brief description of the program you are requesting funds for.

Marketing funds for advertising museum events, executing flyovers, and the operation funds needed to fly multiple aircraft for the Kaboom Town Airshow.



2015-2016 NONPROFIT ASSISTANCE APPLICATION

	FISCAL YEAR 2015 Actual	FISCAL YEAR 2016 PROJECTED
Total Operating Revenues:	<u>\$1,862,077.43</u>	<u>\$1,850,000</u>
Total Operating Expenses:	<u>\$1,873,252.20</u>	<u>\$1,850,000</u>

What percentage of the organization's annual revenues does this grant request represent? 3%

Please quantify the number of residents your agency provided services for:

In the current year: See attached Next year: See Attached

Were the services that you provided in Addison successful? How can your efforts be evaluated?
See attached

Describe the impact of services if only partial funding is made available:
Impact on marketing, number of flyovers, and Kaboom Town participation

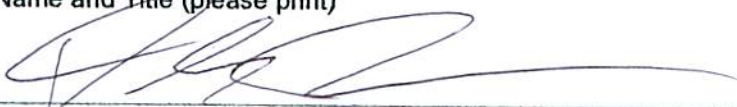
Has your organization received or is now receiving any support in the form of in-kind services (Event Support) from the Town of Addison? ☐ Yes ☒ No If yes, please explain:

If applicable, who is the City Council member that is assigned as a liaison to your organization? In what ways do you keep him/her of activities within your organization?
We work through Mary Rosenbleeth, Director of Public Communications

I certify that the above information is correct and true to the best of my knowledge.

Doug Jeanes Executive Director
Name and Title (please print)

January 14, 2015
Date


Signature

Completed applications must be received by Friday, April 24, 2015.



Cavanaugh Flight Museum is requesting \$50,000 to help with our marketing efforts for 2016. Attached is a summary of our 2015 expenses as well as the projected budget for 2016. Our main focus for 2016 will be continued growth in the following areas:

1. Out of area admission with organizations and groups
2. More warbird rides and training in Addison
3. Continued growth of museum events

Point 1

In 2015 we began working with the Boy Scouts of America, bringing in kids for an aviation merit badge program designed and organized by the Cavanaugh Flight Museum. This program has proved to be very successful with great feedback from BSA. Also, CFM has gotten involved with multiple local Radio Controlled aviation clubs who have visited the museum and taken advantage of our Drone Race track for two of our events. The RC market with its large database of aviation enthusiast is a huge opportunity for potential new visitors to the museum from around the country. The CFM Photo squadron continues to grow attracting the attention of photography clubs all around the metroplex. We have received inquiries from many other venues around the country to help them put on a similar event. The Cotton Bowl Classic has contracted with us to set up "Drone Wars" in both of the host hotels, this Dec.- Jan, to give the players a fun and challenging thing to do in their off time!

Point 2

2015 had real challenges for our ride programs due to weather issues the first half of the year. From January to June, of a possible 150 days to give rides and training, 92 of them were rained out! However, the museum did a great job of making up for the loss the second half of the year. We advertised heavily for our events with local media and newspapers. The result? We grew ride revenues by 34% over last year! Our renewed focus on local advertising to let the metroplex know about Addison Airport and the museum paid off huge! We look to continue this trend for 2016.

Point 3

2015 saw the museum start and establish two new events. With all of the negative and positive interest in drones exploding in the news, the museum made the decision to embrace the fact that drones will be a huge part of aviation in the future. After researching what is the proper way to operate drones legally and ethically, we came up with an indoor event called "Drone Wars" in hopes of attracting a new segment of aviation enthusiast, especially young ones, to the museum. This was the first time an event like this had been done so we had no idea how it would be received. The media over whelmed us with 15 media segments including 10 TV interviews that reached an estimated 38 million people!

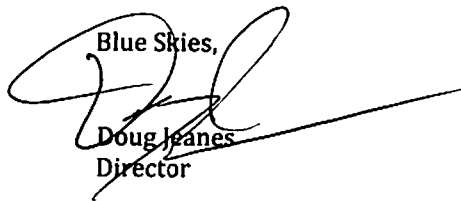
The half-day event attracted over 1,000 spectators to watch 20 drone pilots duke it out on our custom designed course! The best part? A 15-year-old student beat out our hobby shop pro to take the championship! Mission accomplished!

Cavanaugh Flight Museum

501(C) 3 Non-Profit Educational Organization - www.cavflight.org
Addison Airport, 4572 Claire Chennault, Addison, Texas 75001 (972) 380-8800

In May of this year, 35 photographers and their families traveled to Addison from across the country to participate in a new event we called "Ultimate Access." The event is an aviation photography school held at the museum, in which photographers can learn tips from the pros and then photograph our warbirds in the air from another aircraft, an opportunity up until now was reserved for experts. The event was a great success with interest by many more to come back in 2016.

Our "Fall Fly Days and car show this year had a record number of cars and warbird rides for 2015. The new event on Sunday " The American classic car show" saw the event double the amount of cars from last year!

Blue Skies,

Doug Jeanes
Director

**Cavanaugh Flight Museum
Advertising/Marketing Expense
2015
Actual**

Local news papers	5,465
Local TV event advertising	9,700
Trade shows	8,900
Travel publication	4,300
Social Media advertising	400
Ride program-advertising	4,800
Creative	2,300
Trade show graphics	13,420
Warbird publications print and web	1,800
Local magazine	5,280
Sports advertising	18,000
Printing	3,085
Public Relations/marketing partners	43,307
 Total Expenditures	 \$ 120,757

**Cavanaugh Flight Museum
Advertising/Marketing Expense
2016
Projection**

Local news papers	12,000
European Publications	2,300
Local TV event advertising	9,700
Addison Event operations	8,900
Travel publication	4,300
Social Media advertising	400
Ride program-advertising	5,000
Creative	4,000
Trade show graphics	1,500
Direct mail	2,000
Warbird publications print and web	1,800
Local magazine	7,500
Sports advertising	18,000
Printing	3,800
Public Relations/marketing partners	50,000
 Total Expenditures	 \$ 131,200

Internal Revenue Service

Date: September 6, 2007

**CAVANAUGH AIR MUSEUMM
% JERRY L CRAWFORD
4572 CLAIRE CHENNAULT ST
ADDISON TX 75001-5321**

**Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201**

**Person to Contact:
Yvette Davis 17-57076
Customer Service Representative
Toll Free Telephone Number:
877-829-5500
Federal Identification Number:
75-3088417**

Dear Sir or Madam:

This is in response to your request of September 6, 2007, regarding your organization's tax-exempt status.

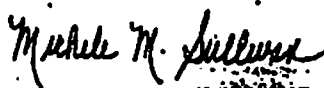
In February 2005 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under section 509(a)(2) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



**Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations 1**



**Cavanaugh Flight Museum
Board of Directors**

Doug Jeanes – Museum Director
Perry Smith
Jerry Crawford – President of Jani King Int
Jim Cavanaugh – Founder of Jani King Int
Steve DeWolf

TOWN OF ADDISON, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING THE GRANT FUNDING AGREEMENT BETWEEN THE TOWN AND CAVANAUGH FLIGHT MUSEUM; AUTHORIZING THE CITY MANAGER TO EXECUTE THE GRANT FUNDING AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the Town of Addison, Texas ("City Council") has investigated and determined that it is in the best interest of the Town of Addison, Texas ("Town") to provide a grant of public funds to various organizations that promote public purposes and benefit the public within the Town; and

WHEREAS, the City Council has adopted an application process ("Application") whereby these organizations may apply for public funds that will be used for public purposes within the Town, as determined by the Town; and

WHEREAS, Cavanaugh Flight Museum submitted an Application to the Town for consideration; and

WHEREAS, the Town has reviewed the Application and investigated and determined that the requests set forth in the Application are for a public purpose and will benefit its citizens; and

WHEREAS, the Town and Cavanaugh Flight Museum desire to enter into this Agreement to set forth the terms and conditions regarding Cavanaugh Flight Museum's use of the public funds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

Section 1. The Grant Funding Agreement between the Town and Cavanaugh Flight Museum, a copy of which is attached to this Resolution as **Exhibit A**, is hereby approved. The City Manager is hereby authorized to execute said agreement.

Section 2. This Resolution shall take effect from and after its date of adoption.

PASSED AND APPROVED by the City Council of the Town of Addison, Texas this the 23rd day of February, 2016.

Todd Meier, Mayor

ATTEST:

By: _____
Laura Bell, City Secretary

APPROVED AS TO FORM:

By: Brenda N. McDonald, City Attorney

EXHIBIT A

STATE OF TEXAS

§
§
§

AGREEMENT FOR GRANT FUNDING

COUNTY OF DALLAS

This Agreement for Grant Funding (“Agreement”) is made and entered into as of the ____ day of February, 2016 (“Effective Date”) by and between the Town of Addison, Texas (the “City”) and Cavanaugh Flight Museum (the “Organization”).

WITNESSETH:

WHEREAS, the City Council has investigated and determined that it is in the best interest of the City to provide a grant of public funds to various organizations that promote public purposes and benefit the public within the City; and

WHEREAS, the City Council has adopted an application process (“Application”) whereby these organizations may apply for public funds that will be used for public purposes within the City, as determined by the City; and

WHEREAS, the Organization submitted an Application to the City for consideration; and

WHEREAS, the City has reviewed the Application and investigated and determined that the requests set forth in the Application are for a public purpose and will benefit its citizens; and

WHEREAS, the City and Organization desire to enter into this Agreement to set forth the terms and conditions regarding the Organization’s use of the public funds.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements hereinafter set forth, the benefits flowing to each of the parties hereto, and other good and valuable consideration, the Town of Addison, Texas and the Organization do hereby agree as follows:

I. TERM

The term of this Agreement shall begin on the Effective Date and end on the 30th day of September, 2016, except as otherwise provided for herein, and subject to the earlier termination of this Agreement (“Term”). The Program, hereinafter defined, must be completed during the Term of the Agreement to the satisfaction of the City.

II. GRANT USE

The Organization shall complete the following program(s) with the assistance of grant funding received by the City (collectively, the “Program”):

- (a) Advertising museum events;
- (b) Executing flyovers at Addison Airport; and
- (c) Hiring multiple aircraft to fly for the Kaboom Town Airshow.

EXHIBIT A

The Organization shall submit detailed financial statements and program results to the City listing the expenditures made by the Organization with the Funding received pursuant to this Agreement by the following dates:

April 30, 2016
August 30, 2016
October 30, 2016

III. FUNDING

For the completion of the Program as described herein, the City shall pay to the Organization the sum of no more than Fifty Thousand and 00/100 Dollars (\$50,000.00) ("Funding") as follows: fifty percent (50%) of the Funding shall be paid to the Organization within thirty (30) days of the City's execution of this Agreement, and the remaining fifty percent (50%) of the Funding shall be paid to the Organization on May 30, 2016. However, the Organization may send a written request to the Chief Financial Officer of the City for an advance of the second fifty percent (50%) distribution prior to May 30, 2016 for a compelling reason, and the Chief Financial Officer may or may not grant this request in his sole and absolute discretion. Payment is made contingent upon the Organization not then being in default of this Agreement. Funding shall not carry over into the following fiscal year. If the Organization fails to complete the Program identified herein to the satisfaction of the City within the Term, then the Organization shall return any and all unexpended Funding to the City immediately upon request, and the Organization may be ineligible for the receipt of Funding the following year.

IV. RESPONSIBILITY; INDEMNIFICATION

(a) THE ORGANIZATION AGREES TO ASSUME AND DOES HEREBY ASSUME ALL RESPONSIBILITY AND LIABILITY FOR DAMAGES OR INJURIES SUSTAINED BY PERSONS OR PROPERTY, WHETHER REAL OR ASSERTED, BY OR FROM THE PERFORMANCE OF THE PROGRAM PERFORMED AND TO BE PERFORMED HEREUNDER BY THE ORGANIZATION OR BY ITS OFFICIALS, OFFICERS, EMPLOYEES, OWNERS, MEMBERS, AGENTS, SERVANTS, INVITEES, GUESTS, VOLUNTEERS, CONTRACTORS, SUBCONTRACTORS, OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY ANY OF THEM OR ANYONE FOR WHOSE ACTS ANY OF THEM MAY BE LIABLE.

(b) INDEMNITY OWED BY THE ORGANIZATION. THE ORGANIZATION COVENANTS AND AGREES TO FULLY DEFEND, INDEMNIFY AND HOLD HARMLESS THE TOWN OF ADDISON, TEXAS AND THE ELECTED AND APPOINTED OFFICIALS, THE OFFICERS, EMPLOYEES, REPRESENTATIVES, AND VOLUNTEERS OF THE TOWN OF ADDISON, TEXAS, INDIVIDUALLY OR COLLECTIVELY, IN BOTH THEIR OFFICIAL AND PRIVATE CAPACITIES (THE TOWN OF ADDISON, TEXAS AND THE ELECTED AND APPOINTED OFFICIALS, THE OFFICERS, EMPLOYEES, REPRESENTATIVES, AND VOLUNTEERS OF THE TOWN OF ADDISON, TEXAS EACH BEING AN "ADDISON PERSON" AND COLLECTIVELY THE "ADDISON PERSONS"), FROM AND AGAINST ANY AND ALL COSTS, CLAIMS, LIENS, HARM, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, PROCEEDINGS, JUDGMENTS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY, AND SUITS, OF ANY KIND AND NATURE WHATSOEVER MADE UPON OR INCURRED BY ANY ADDISON PERSON, WHETHER DIRECTLY OR INDIRECTLY, (THE "CLAIMS"), THAT ARISE OUT OF, RESULT FROM, OR RELATE TO: (1) THE PROGRAM AS DESCRIBED IN SECTION II OF THIS AGREEMENT; (2) REPRESENTATIONS OR WARRANTIES BY THE ORGANIZATION UNDER THIS AGREEMENT; AND/OR (3) ANY OTHER ACT OR OMISSION UNDER OR IN PERFORMANCE OF THIS AGREEMENT BY THE ORGANIZATION, OR ANY

EXHIBIT A

OWNER, OFFICER, DIRECTOR, MANAGER, EMPLOYEE, AGENT, REPRESENTATIVE, CONSULTANT, CONTRACTOR, SUBCONTRACTOR, LICENSEE, INVITEE, PATRON, GUEST, CUSTOMER, OR CONCESSIONAIRE OF OR FOR THE ORGANIZATION, OR ANY OTHER PERSON OR ENTITY FOR WHOM THE ORGANIZATION IS LEGALLY RESPONSIBLE, AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, MANAGERS, EMPLOYEES, AGENTS, REPRESENTATIVES, CONSULTANTS, CONTRACTORS, SUBCONTRACTOR, LICENSEES, INVITEES, PATRONS, GUESTS, CUSTOMERS, AND CONCESSIONAIRES. SUCH DEFENSE, INDEMNITY AND HOLD HARMLESS SHALL AND DOES INCLUDE CLAIMS ALLEGED OR FOUND TO HAVE BEEN CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OR GROSS NEGLIGENCE OF ANY ADDISON PERSON, OR CONDUCT BY ANY ADDISON PERSON THAT WOULD GIVE RISE TO STRICT LIABILITY OF ANY KIND.

THE ORGANIZATION SHALL PROMPTLY ADVISE THE CITY IN WRITING OF ANY CLAIM OR DEMAND AGAINST ANY ADDISON PERSON OR THE ORGANIZATION RELATED TO OR ARISING OUT OF THE ORGANIZATION'S ACTIVITIES UNDER THIS AGREEMENT AND SHALL SEE TO THE INVESTIGATION AND DEFENSE OF SUCH CLAIM OR DEMAND AT THE ORGANIZATION'S SOLE COST AND EXPENSE. THE ADDISON PERSONS SHALL HAVE THE RIGHT, AT THE ADDISON PERSONS' OPTION AND AT OWN EXPENSE, TO PARTICIPATE IN SUCH DEFENSE WITHOUT RELIEVING THE ORGANIZATION OF ANY OF ITS OBLIGATIONS HEREUNDER.

THE PROVISIONS OF THIS DEFENSE, INDEMNITY, AND HOLD HARMLESS OBLIGATION, AND ANY OTHER DEFENSE, INDEMNITY, AND HOLD HARMLESS OBLIGATION SET FORTH IN THIS AGREEMENT, SHALL SURVIVE THE TERMINATION OR EXPIRATION OF THIS AGREEMENT.

V. TERMINATION

This Agreement may be canceled and terminated by either party at any time and for any reason or no reason upon giving at least thirty (30) days written notice of such cancellation and termination to the other party hereto. Such notice shall be sent certified mail, return receipt requested, and to the most recent address shown on the records of the party terminating the Agreement. The thirty (30) day period shall commence upon deposit of the said notice in the United States mail and shall conclude at midnight of the 30th day thereafter. In the event of such cancellation and termination and if the Organization has failed at the time of such cancellation and termination to provide the Program set forth herein, the Organization shall immediately refund to the City that portion of Funding paid to the Organization under the terms of this Agreement (and identified in Section II, above) allocable to the Program that has not been completed at the time of cancellation and termination, as determined by the City.

Upon payment or tender of any refund amount, all of the obligations of the Organization and the City under this Agreement shall be discharged and terminated (except as otherwise provided herein, e.g., except for obligations and responsibilities as may survive termination or cancellation of this Agreement as provided for in this Agreement) and no action shall lie or accrue for additional benefit, consideration or value for or based upon the Program performed under or pursuant to this Agreement.

VI. CONFLICT OF INTEREST

(a) No officer or employee of the City shall have any interest or receive any benefit, direct or indirect, in this Agreement or the proceeds thereof. This prohibition is not intended and

EXHIBIT A

should not be construed to preclude payment of expenses legitimately incurred by City officials in the conduct of the City's business. No officer, employee, representative, or volunteer of the Organization shall have any financial interest, direct or indirect, in this Agreement or the proceeds hereof.

(b) For purposes of this section, "benefit" means anything reasonably regarded as an economic advantage, including benefit to any other person in whose welfare the beneficiary is interested, but does not include contributions or expenditures made and reported in accordance with any law.

VII. ACCOUNTING

Prior to adopting its annual budget, the Organization shall submit for the City's review a budget showing the use of the Funding provided pursuant to this Agreement, and the Organization shall make such quarterly financial reports to the City, as provided for herein, listing the expenditures made by the Organization from the Funding. The approval of the Organization's annual budget creates a fiduciary duty in the Organization with respect to the Funding provided by this Agreement.

Funding received hereunder from the City may be spent for day to day operations, supplies, salaries and other administrative costs, provided that such costs are necessary for the promotion and encouragement of the purposes for which the Funding may be used as described herein.

The Organization shall maintain complete and accurate financial records of all of its revenues, including, without limitation, each expenditure of Funding received pursuant to this Agreement. By the thirtieth (30th) day after the close of each quarter (beginning with the quarter ending March 31, 2016, with the last quarter ending September 30, 2016), the Organization shall provide the City the following: (a) a detailed financial report for the previous quarter listing the expenditures made by the Organization of the Funding paid to the Organization under this Agreement; and (b) a year-to-date report of the expenditures made by the Organization of the Funding paid to the Organization under this Agreement (and if this Agreement is terminated prior to its expiration, the Organization shall provide such reports as set forth above for the period prior to the expiration for which reports have not been provided, and such obligation shall survive the termination hereof; and the obligation to provide the reports for the last quarter of this Agreement shall survive the expiration of this Agreement). On request of the City at any time, the Organization shall make all its records available for inspection and review by the City or its designated representative(s). Within ninety (90) days of the end of the Organization's fiscal year, the Organization shall provide the City with a financial statement signed by the Chairman of the Organization's Board of Directors (or other person acceptable to the City) and audited by an independent Certified Public Accountant, at the Organization's expense, setting forth the Organization's income, expenses, assets and liabilities, and such obligation shall survive the termination or expiration of this Agreement.

All application materials, financial information, quarterly (or other) reports, any other information described herein or required hereunder, and general correspondence with the City must be submitted to the City in electronic format to the City email address specified in the application packet. Additionally, the City may require that such materials, information, reports, and correspondence also be provided to the City in writing a hard-copy, non-electronic format.

VIII. ADDITIONAL REQUIREMENTS OF THE ORGANIZATION

EXHIBIT A

The Organization agrees to the following:

(a) The City may conduct an on-site visit to the Organization during the Term;

(b) Within thirty (30) days of the City's execution of this Agreement, the Organization shall provide to the City a current list of all Organization board members and a schedule of all board meetings. A representative from the City may choose to attend any scheduled board meetings. The City shall be immediately notified of any changes to the schedule; and

(c) In any and all marketing material produced by the Organization, the City shall be prominently recognized as a supporter of the Organization through the use of the City designated logo provided.

VIII. INDEPENDENT CONTRACTOR

In completing the Program under this Agreement, the relationship between the City and the Organization is that of independent contractor, and the City and the Organization by the execution of this Agreement do not change the independent status of the Organization. The Organization is an independent contractor, and no term or provision of this Agreement or action by the Organization in the performance of this Agreement is intended nor shall be construed as making the Organization the agent, servant or employee of the City, or to create an employer-employee relationship, a joint venture relationship, or a joint enterprise relationship, or to allow the City to exercise discretion or control over the manner in which the Organization performs the Program which is described in this Agreement.

IX. NON-ASSIGNABILITY; NO THIRD-PARTY BENEFIT

The Organization may not and shall have no authority to assign, transfer, or otherwise convey by any means whatsoever this Agreement or any of the rights, duties or responsibilities hereunder without obtaining the prior written approval of the City, and any attempted assignment, transfer, or other conveyance of this Agreement without such approval shall be null and void and be cause for immediate termination of this Agreement by the City.

This Agreement is solely for the benefit of the parties hereto and is not intended to and shall not be deemed to create or grant any rights, contractual or otherwise, to any third person or entity.

X. NO PARTNERSHIP, JOINT VENTURE, OR JOINT ENTERPRISE

Nothing contained in this Agreement shall be deemed to constitute that the City and the Organization are partners or joint venturers with each other, or shall be construed or be deemed to establish that their relationship constitutes, or that this Agreement creates, a joint enterprise.

XI. NON-DISCRIMINATION

During the term of this Agreement, the Organization agrees that it shall not discriminate against any employee or applicant for employment because of race, age, color, sex or religion, ancestry, national origin, place of birth, or handicap.

EXHIBIT A

XII. LEGAL COMPLIANCE; AGREEMENT SUBJECT TO LAWS; RECITALS

The Organization shall observe and abide by, and this Agreement is subject to, all applicable federal, state, and local (including the City) laws, rules, regulations, and policies (including, without limitation, the Charter and Ordinances of the City), as the same currently exist or as they may be hereafter amended. The Organization agrees that any and all records of the Organization which, including but not limited to describe, relate to, convey and/or illustrate the obligations, terms and conditions set forth in this Agreement shall be subject to the Texas Public Information Act, Texas Government Code Chapter 552, as amended. The above and foregoing recitals to this Agreement are true and correct and incorporated herein and made a part hereof.

XIII. VENUE; GOVERNING LAW

In the event of any action under this Agreement, exclusive venue for all causes of action shall be instituted and maintained in Dallas County, Texas. The parties agree that the laws of the State of Texas shall govern and apply to the interpretation, validity and enforcement of this Agreement; and, with respect to any conflict of law provisions, the parties agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the governing, interpretation, validity and enforcement of this Agreement.

XIV. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

XV. NO WAIVER; RIGHTS CUMULATIVE

The failure by either party to exercise any right or power, or option given to it by this Agreement, or to insist upon strict compliance with the terms of this Agreement, shall not constitute a waiver of the terms and conditions of this Agreement with respect to any other or subsequent breach thereof, nor a waiver by such party of its rights at any time thereafter to require exact and strict compliance with all the terms hereof. The rights or remedies under this Agreement are cumulative to any other rights or remedies, which may be granted by law.

XVI. NOTICES

All notices, communications and reports, required or permitted under this Agreement shall be personally delivered or mailed to the respective parties using certified mail, return receipt requested, postage prepaid, at the addresses shown below. The City and the Organization agree to provide the other with written notification within five (5) days, if the address for notices, provided below, is changed. Notices by personal delivery shall be deemed delivered upon the date delivered; mailed notices shall be deemed communicated on the date shown on the return receipt. If no date is shown, the mailed notice shall be deemed communicated on the third (3rd) day after depositing the same in the United States mail.

The City's address:

Attn: City Manager
Town of Addison
5300 Belt Line Road

The Organization's address:

Mr. Doug Jeanes
Cavanaugh Flight Museum
4572 Claire Chennault

EXHIBIT A

Dallas, Texas 75254

Addison, Texas 75001

XVII. SEVERABILITY

The terms of this Agreement are severable, and if any section, paragraph, clause, or other portion of this Agreement shall be found to be illegal, unlawful, unconstitutional or void for any reason, the balance of the Agreement shall remain in full force and effect and the parties shall be deemed to have contracted as if said section, paragraph, clause or portion had not been in the Agreement initially.

XVIII. AUTHORITY TO EXECUTE AGREEMENT

The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

XIX. ENTIRE AGREEMENT

This Agreement represents the entire and integrated Agreement and agreement between the City and the Organization and supersedes all prior negotiations, representations and/or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the City and the Organization.

XX. SOVEREIGN IMMUNITY

The parties agree that the City has not waived its sovereign immunity by entering into and performing its obligations under this Agreement.

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be signed by their proper corporate officers as first above specified, and have caused their proper corporate seal to be hereto affixed the day and year first above written.

TOWN OF ADDISON, TEXAS

CAVANAUGH FLIGHT MUSEUM

By: _____
Wesley Pierson, City Manager

By: _____
Mr. Doug Jeanes, Executive Director

Date: _____

Date: _____

Work Session and Regular Meeting**Meeting Date:** 02/23/2016**Department:** City Manager

AGENDA CAPTION:

Presentation By Mr. Larry Kanter Of Kanter Financial Forensics, LLC **Regarding Status Of Engagement For Work Authorized By Council On November 2014.**

BACKGROUND:

In April of 2014, Mr. Kanter was engaged by the Town of Addison to perform an analysis of Town operations regarding its financial policies, procedures and internal controls. He provided a set of recommendations in July 2014 in which he discussed issues related to purchasing, procurement practices, accounts payable processing, banking, fixed assets, payroll, cash receipts and staffing. In October 2014 he issued his second set of recommendations in which he identified recommendations related to contracting, Oktoberfest special events, and compliance monitoring. In November of 2014, he was asked to perform an analysis specifically related to the following:

- Analysis of courts, special events and 1 vendor
- Physical inventory reconciliation consulting
- Status update - first set of recommendations

In January 2015, the October agreement was amended to provide for additional data entry hours needed regarding the project.

This presentation is to provide the City Council with an update regarding that status of the November 2014 engagement.

RECOMMENDATION:

Information only, no action required.

Work Session and Regular Meeting**Meeting Date:** 02/23/2016**Department:** Communications & Marketing

AGENDA CAPTION:Present And Discuss **The Crisis Communication Contract.****BACKGROUND:**

The Town of Addison has been outsourcing its crisis communications efforts for many years to Margulies Communications. Given the duration of the current contract, the staff thought it was prudent to take the contract out to market.

Our current budget for this service is \$3,500 per month, which is funded through the Police Department's budget. It includes the following services: responding to media inquiries concerning crisis communications issues, as well as other assignments (non-crisis and other matters); creating news releases and statements; and serving as spokesperson for Addison when called upon to do so.

The Public Communications Director, together with the Assistant City Manager and the Police Chief, created a Request For Qualifications (RFQ) which was distributed in October. We had six agencies respond – four local firms, including our current provider, and two from outside Dallas-Fort Worth.

A panel consisting of Assistant City Manager Chris Terry, Police Chief Paul Spencer, Purchasing Manager Wil Newcomer, Public Communications Director Mary Rosenbleeth and Mayor Todd Meier performed phone interviews for all six agencies. The Mayor was included in the process since this relationship may directly serve as a resource for Council in crisis situations. One firm scored above and beyond all the rest on this initial interview – Addison-based GrayHairPR. The committee conducted an in-depth interview with GrayHair.

During this second interview GrayHair gave us more information about their team and their partners – VNR1 Communications and GlobeRunner. Together the three organizations can provide the crisis communications duties outlined in the RFQ, but also social media monitoring and SEO (search engine optimization) services. The Town currently does very limited social media monitoring and our SEO engagement is minimal, confined to the constraints of our new website.

Following the meeting, the panel unanimously agreed to move forward defining a detailed scope of services and financial arrangement with GrayHair. What we agreed upon was a \$4,000 monthly contract, which slightly exceeds our current budget, but fulfills the basic elements of the RFQ. Funds are available in the Marketing budget to

accommodate the modest increase over the budgeted amount.

During the next seven months staff will focus on updating and defining our crisis communications plan, training staff and developing a working relationship with the new agency. Because the contract is under the \$50,000 threshold required for Council approval, the City Manager can execute it. However, staff wanted to introduce the GrayHair team to Council since they will be a potential resource for Council moving forward.

As part of their proposal, GrayHair also offered social media capabilities that would complement their crisis communications efforts. This increased service level was very well received by the panel and something staff would like to integrate into its communications efforts in the near future. However, given limited staffing and the staff's desire to focus first on basic crisis communications efforts, we recommend a phased approach to this contract. By dividing the project into phases it also allows staff to develop a more comprehensive and holistic approach to our crisis communications efforts. We would also like time to further evaluate the social media component in conjunction with the Town's overall strategic marketing and communication efforts. Staff plans to discuss this service offering further with Council as part of the budget process.

We are pleased with the level of experience that GrayHair brings to our team and look forward to working with them. GrayHair will begin their contract with the Town on March 1, 2016.

RECOMMENDATION:

Information only, no action required.

Fiscal Impact

Budgeted Yes/No: yes

Funding Source: general fund

Amount: \$28,000

Attachments

Scope of Work



February 9, 2016

STATEMENT OF WORK

GrayHairPR, VNR1 Communications and Globe Runner SEO agree to provide the following services under contract to the Town of Addison at a cost of \$4,000 per month for the period March 1 through September 30, 2016:

GrayHairPR

- Align team members and Addison staff
- Conduct an informal communications audit
- Identify audiences
- Develop Crisis Communications Action Plan
- Identify target media
- Conduct one media training session for up to eight executives
- Conduct one table-top crisis drill with full team during 2016
- Provide ongoing media relations counsel to Addison executives
- Provide support for crisis situations
- Respond to media inquiries concerning crisis communications
- Respond to media inquiries on non-crisis matters as requested
- Develop strategies to minimize any negative publicity during crisis situations
- Draft press statements for approval by relevant Addison officials
- Distribute press statements to appropriate media to get maximum exposure
- Serve as Addison spokesperson when appropriate, including nights and weekends for Public Safety Departments, and Addison Airport
- Review special events crisis communications plans and be available to respond to any potential crisis situations at special events (specifically Taste Addison, Kaboom Town! and Oktoberfest).

VNR1 Communications

- Videotape media training session
- Develop Digital News Release Platform

Work Session and Regular Meeting**Meeting Date:** 02/23/2016**Department:** Finance

AGENDA CAPTION:

Discuss and Consider A **Resolution Authorizing The City Manager To Enter Into A Contract With Texas Coalition For Affordable Power (TCAP) To Provide Electricity For The Town For January 1, 2018 through December 31, 2022.**

BACKGROUND:

The Texas Coalition for Affordable Power (TCAP) is a non-profit, political subdivision corporation, owned and controlled by its 171 political subdivision members, the vast majority of whom are cities. TCAP was formed in 2011 from the merger of Cities Aggregation Power Project ("CAPP") and South Texas Aggregation Project ("STAP"), both of which were created in 2001, shortly before retail deregulation became effective on January 1, 2002. TCAP is governed by a 15 member board of directors, all of whom must be city employees or elected city officials. Typically, board members have been mayors, city managers, assistant city managers, finance directors or city attorneys. The Town of Addison is a member of TCAP in the ERCOT North Zone.

This contract is an opportunity for the Town to negotiate the price of electricity for the period January 1, 2018 through December 31, 2022.

The current Town contract with TCAP extends through December 31, 2017, with a contract rate of **7.445 cents per kWh**. The proposed contract fixed price rate has 3 options:

Option 1 - The contract rate would be set at a not to exceed rate of 4.1 cents per KWh. This rate does not include ONCOR transmission and distribution charges, which would not be affected by this contract.

Option 2 - Fixes a price for the peak usage period and then turns to the spot market for all off-peak usage.

Option 3 - Begins with the purchase of a block of power to cover the base use of all members who commit to this option. Block power, since it is a firm commitment 24 hours a day, is the cheapest form of energy available in the wholesale market. Daytime peak consumption will be partly covered by a fixed price for solar power with all other consumption supplied by the spot market.

To participate in this contract, Council must pass the attached Resolution before **February 25, 2016**. The Resolution must contain the pricing option selected by Council and the names of individuals authorized to sign the contract on behalf of the Town. This new contract does not contain any cap on electricity usage by the Town. Any electricity

used will be billed at the agreed rates. Once the contract has been negotiated, the Town has 24 hours to execute the contract accepting the offer.

RECOMMENDATION:

Administration recommends approval of the following:

1. Council select Option 1, Fixed Price with a price not to exceed rate of **4.1 cents/kWh**. This is a very low price and would fix our cost per kWh for 2018-2022. Options 2 and 3 introduce spot price and renewable energy price risk.
2. Council appoint the following as signers on the offer acceptance (only one is required, but must be signed within 24 hours of offer acceptance.)
 - a. Wes Pierson, City Manager
 - b. Cheryl Delaney, DCM
 - c. Jay Doegey – TCAP Executive Director (last resort to meet deadline if Wes or Cheryl are not available)

Attachments

Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, AUTHORIZING THE TEXAS COALITION FOR AFFORDABLE POWER, INC. (TCAP) TO NEGOTIATE AN ELECTRIC SUPPLY AGREEMENT FOR FIVE YEARS FOR DELIVERIES OF ELECTRICITY EFFECTIVE JANUARY 1, 2018; AUTHORIZING TCAP TO ACT AS AN AGENT ON BEHALF OF THE CITY TO ENTER INTO A CONTRACT FOR ELECTRICITY; AUTHORIZING CERTAIN INDIVIDUALS TO EXECUTE AN ELECTRIC SUPPLY AGREEMENT FOR DELIVERIES OF ELECTRICITY EFFECTIVE JANUARY 1, 2018 AND COMMITTING TO BUDGET FOR ENERGY PURCHASES IN 2018 THROUGH 2022 AND TO HONOR THE CITY'S COMMITMENTS TO PURCHASE POWER FOR ITS ELECTRICAL NEEDS IN 2018 THROUGH 2022 THROUGH TCAP

WHEREAS, the Town of Addison, Texas (City) is a member of Texas Coalition For Affordable Power, Inc. (TCAP), a non-profit, political subdivision corporation dedicated to securing electric power for its more than 170 members in the competitive retail market; and

WHEREAS, TCAP has unique rights under Texas law to negotiate directly in the wholesale market and arrange separate contracts for power supply and retail services which provides TCAP leverage to achieve contract provisions that single city negotiations with a Retail Electric Provider (REP) would be unlikely to produce; and

WHEREAS, TCAP's geographic diversity across all four ERCOT zones produces an aggregated peak load that is lower than the total of individual peak loads of the individual TCAP members, allowing price benefits in the wholesale market that are not likely to be available to any given TCAP member alone; and

WHEREAS, TCAP and its predecessor organizations, Cities Aggregation Power Project, Inc. (CAPP) and South Texas Aggregation Project, Inc. (STAP), negotiated favorable contract terms that resulted in rebates from the wholesale supplier and reasonable commodity prices for delivered electricity since 2002 resulting in stable budgets for electricity for members; and

WHEREAS, commodity prices for electricity experienced significant volatility between 2002 and 2009, with prices ranging from 4 cents to over 13 cents per kWh, causing CAPP and STAP members to welcome a five year contractual commitment that came close to cutting the 2008 prices in half, with that contract being extended until December 31, 2017, with a negotiated price reduction of about 1 cent per kWh; and

WHEREAS, TCAP has become a forceful voice for consumer protections and market reform to benefit the public and well as cities and other political subdivisions; and

WHEREAS, TCAP is owned by its members and distributes monetary and other resources according to relative load size of members and is controlled by a 15 member Board of Directors, all of whom must be city employees of members who represent diversity in size and geography; and

WHEREAS, wholesale power prices within the deregulated Texas market are largely determined by the NYMEX gas futures prices for natural gas which are currently low and relatively stable, but which change daily; and

WHEREAS, daily price changes require retail customers to execute a contract immediately upon receipt of a favorable offer; and

WHEREAS, pursuant to Texas Local Government Code Section 252.022(a)(15) expenditures for electricity are exempt from competitive bidding requirements; and

WHEREAS, on any given day, TCAP is able to capture a favorable wholesale price for any period of time, comparable to or better than any given REP or broker; and

WHEREAS, TCAP intends to continue to contract with its current wholesale supplier, NextEra, because the relationship with NextEra is such that NextEra is willing, after it knows the size of a given load, to execute a contract at or below prescribed price and terms; and

WHEREAS, the City desires to execute a contract for electricity for the period beyond the expiration of its current contract on December 31, 2017, that locks-in favorable wholesale prices under one of three different supply options:

- Option 1 - fixed-price, full-requirements at a price not to exceed 4.1 cents per kWh for the North and West zones or 4.25 cents per kWh for the South and Houston zones;
- Option 2 - fixed price for on-peak hours and variable spot market prices for off-peak hours;
- Option 3 - block energy at a fixed price to cover the base load hours, a fixed price for solar energy to cover mid-day peak hours (approximately 10% of total load) and variable spot market prices for all remaining consumption; and

WHEREAS, TCAP will allow members six weeks from receipt of this resolution to consider whether to participate in this second opportunity to contract for post-2017 electrical supply, and thereafter allow NextEra until June 30, 2016 to contact for power for five years at a price not to exceed 4.1 cents per kWh in the North and West zones and a price not to exceed 4.25 cents per kWh in the South and Houston zones for Option 1, so long as the aggregated load for any of the three supply options reaches at least 50 megawatts; and

WHEREAS, wholesale suppliers demand assurance that TCAP will pay for all contracted load; and

WHEREAS, the City needs to assure TCAP that it will sign a Commercial Electric Supply Agreement (CESA) reflecting the contract extension and budget for energy purchases for the post-2017 period and honor its commitment to purchase power for its electrical needs for 2018 through 2022 through TCAP.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

Section 1. That the TCAP Board of Directors and its consultants and advisors are agents authorized to negotiate for the City's electricity needs as a member of TCAP for the period 2018 through 2022 at a price not to exceed 4.1 cents per kWh for the North and West zones and a price not to exceed 4.25 cents per kWh in the Houston and South zones for supply Option 1.

Section 2. The City prefers to participate in supply **Option 1** with the following understanding: a) while supply Option 1 is a full-requirements, fixed-price option, Options 2 (fixed price on-peak, variable spot prices for off-peak usage) and 3 (fixed price for base load, fixed price for a portion of peak load, and variable spot market for remainder) have variable price components and savings over Option 1 cannot be guaranteed, and b) if there is insufficient desire among members to achieve a 50 MW threshold for either Option 2 or 3, the member selecting the inadequately subscribed option will be placed in the Option 1 category. If no option is selected, TCAP will assume that a passed Resolution approves of Option 1.

Section 3. Assuming this resolution is passed before February 25, 2016 and the combined load of TCAP members passing this resolution exceeds 50 megawatts for the preferred Option and NextEra is able to provide TCAP an opportunity prior to June 30, 2016 to contract for power to be delivered to members at a price not to exceed 4.1 cents per kWh for the North and West zones and not to exceed 4.25 cents per kWh in the Houston and South zones for supply Option 1 for the period January 1, 2018 through December 31, 2022, any one of the following individuals is hereby authorized to sign an electric supply agreement for the City within 24 hours of receipt of a contract that has been approved and recommended by the TCAP Board of Directors: **Wesley S. Pierson, Cheryl Delaney or Jay Doegey.**

Section 4. That the City will commit to purchase power to meet all of its electricity needs eligible for competition pursuant to the TCAP approved supply agreement and approve funds necessary to pay electricity costs proportionate to the City's load under the supply agreement (whether wholesale or retail) arranged by TCAP and signed by TCAP's Executive Director or President or other TCAP representatives authorized by the TCAP Board.

Section 5. That a copy of this resolution shall be sent to Jay Doegey, Executive Director, TCAP, 15455 Dallas Parkway, Suite 600, Addison, Texas 75001 and Geoffrey M. Gay, legal counsel to TCAP at 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED on this the 23rd day of February, 2016, by a vote of _____
ayes and _____ nays at a regular meeting of the City Council of the Town of Addison, Texas.

Todd Meier, Mayor

ATTEST:

Laura Bell, City Secretary

3137/10/4975879

Work Session and Regular Meeting**Meeting Date:** 02/23/2016**Department:** Finance

AGENDA CAPTION:

Presentation And Discussion Of The **Finance Department Quarterly Financial Review Of The Town For The Quarter Ended December 31, 2015.**

BACKGROUND:

The Town of Addison's financial policies require the publication of a financial report subsequent to the end of each fiscal quarter. This report covers the financial performance for the first quarter for Fiscal Year 2016 (October 1, 2015 - September 30, 2016). Enclosed in the report is an executive dashboard that provides a high level look at some the key financial indicators along with more detailed exhibits which demonstrate the current financial position for the various funds. This report includes the following: General, Hotel, Airport, Utility, Storm Water Funds and Investment reports. The financial condition of the Town remains strong and all reported funds adhere to the 25% fund balance requirement.

Key highlights:

- Overall General Fund revenues are up nearly 10% compared to the same quarter last year.
- Sales tax collections in the General fund are down about 3.7% compared to the same quarter last year.
- Revenues for the Utility fund are up 5% compared to the same quarter last year.
- Revenues for the Hotel fund are up 9% compared to the same quarter last year.

Staff has reviewed the financial reports with the Finance Committee.

RECOMMENDATION:

Information only, no action required.

Attachments

FY 16 1st Qtr Presentation

FY 16 1st Qtr Financial Report

FY 16 1st Qtr Investment Report



FY2016



First Quarter Financial Review



Key Highlights

FY2016 First Quarter

□ General Fund

- Overall revenues up nearly 10% 
- Sales tax collections down 3.7% 

□ Utility Fund

- Overall operating revenues up 5% 

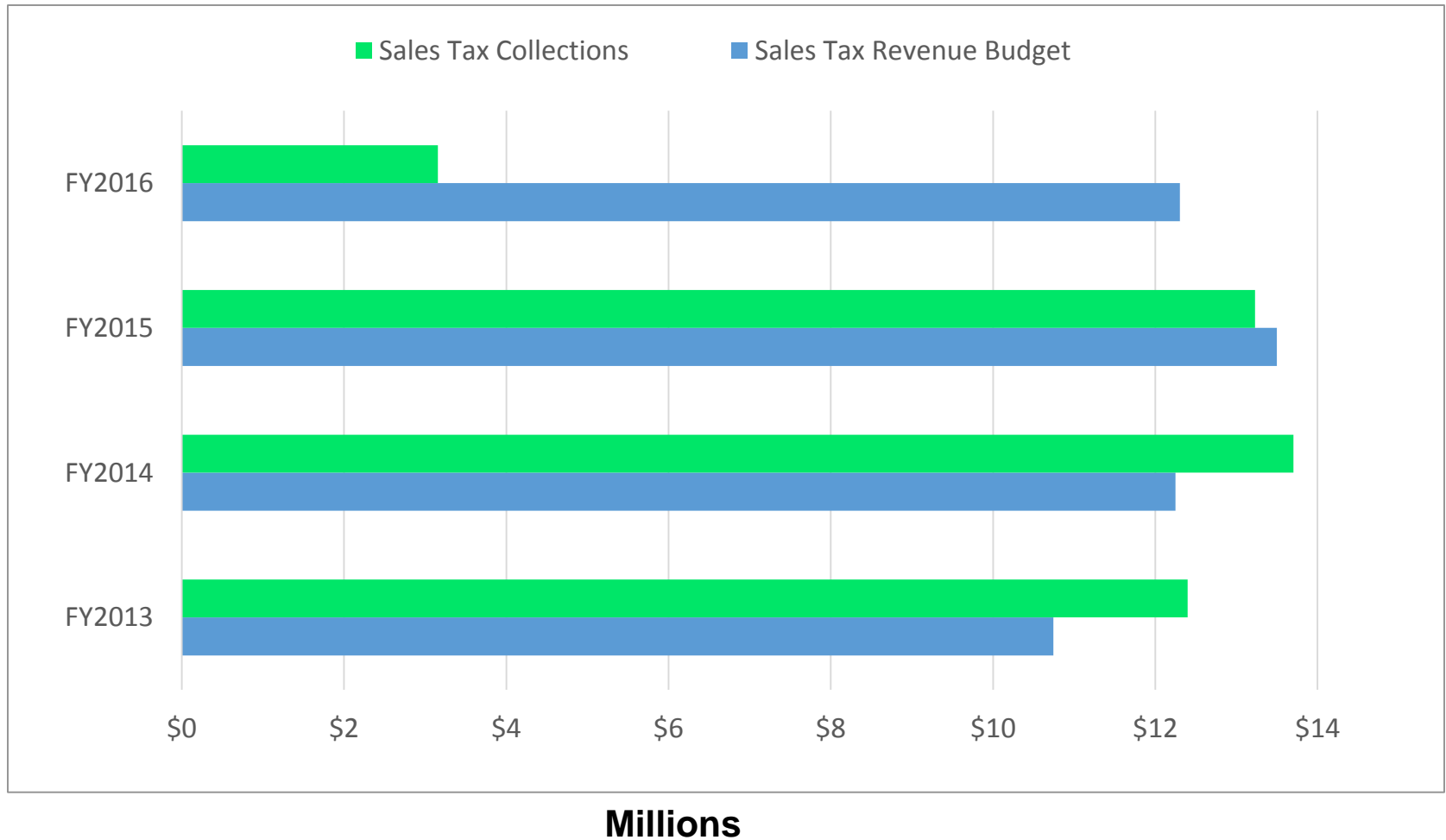
□ Hotel Fund

- Hotel occupancy tax revenue up 25% 

□ All other funds had solid performance



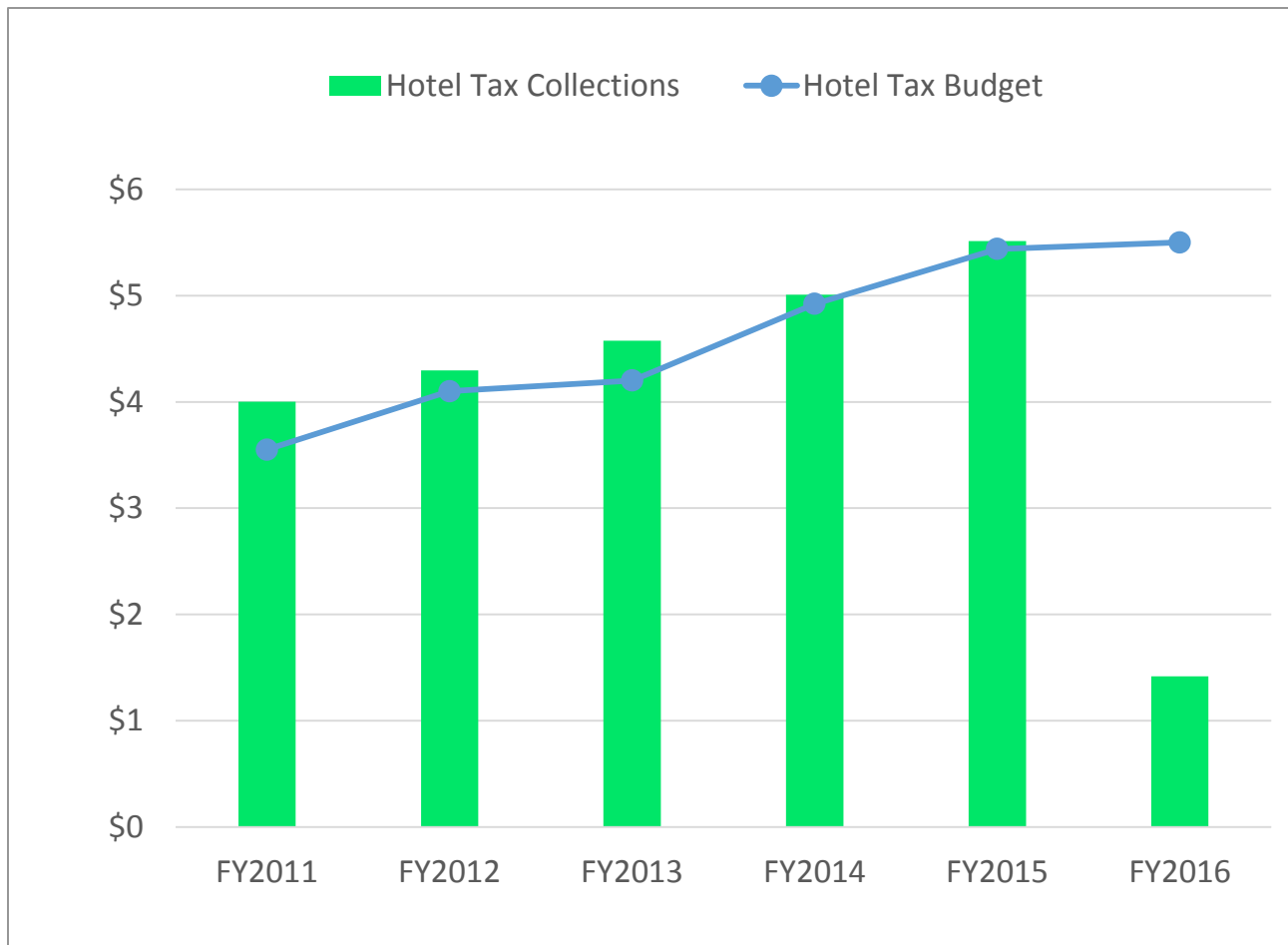
Annual Sales Tax Comparison





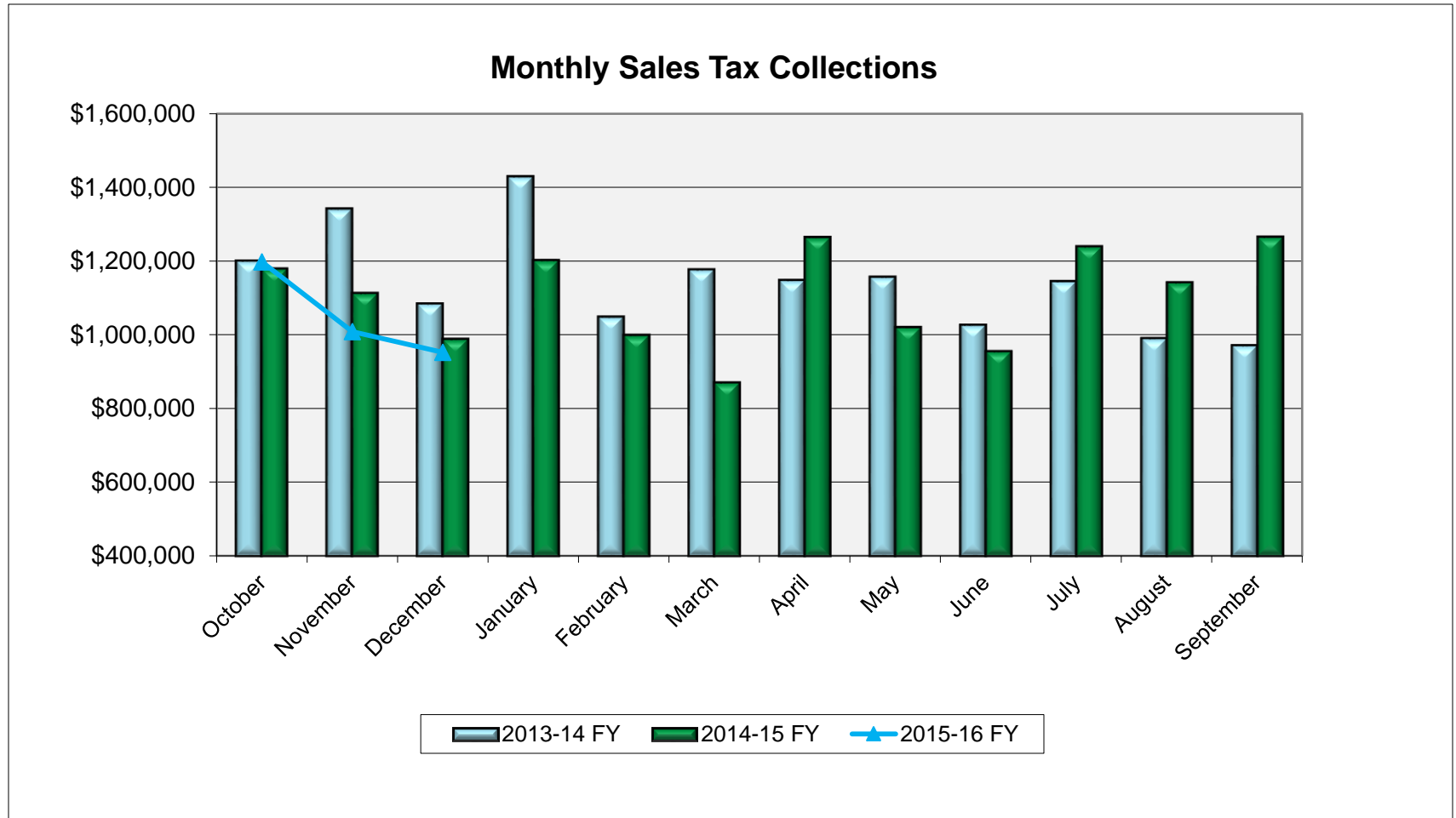
Hotel Occupancy Tax Collections

Millions





Monthly Sales Tax Collections





Key Financial Indicators

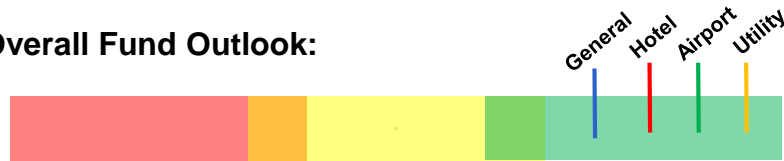
Key Revenue Sources	FY16 Budget	Actual through 12/31/15	% Annual Budget
Ad Valorem Taxes - General Fund	\$ 13,963,710	\$ 3,713,925	26.60%
Non-Property Taxes - General Fund	\$ 13,175,000	\$ 3,158,222	23.97%
Hotel Tax	\$ 5,500,000	\$ 1,418,852	25.80%
Franchise Fees - General Fund	\$ 2,675,000	\$ 732,978	27.40%
Service/Permitting/License Fees - General Fund	\$ 2,402,600	\$ 544,579	22.67%
Rental Income - All Funds	\$ 5,267,022	\$ 1,287,262	24.44%
Fines and Penalties - All Funds	\$ 856,900	\$ 159,451	18.61%
Special Event Revenue - Hotel Fund	\$ 2,045,717	\$ 10,782	0.53%
Fuel Flowage Fees - Airport Fund	\$ 791,680	\$ 212,024	26.78%
Water and Sewer Charges - Utility Fund	\$ 10,283,530	\$ 1,946,662	18.93%

Key Expenditures	FY16 Budget	Actual through 12/31/15	% Annual Budget
General Fund	\$ 33,312,564	\$ 6,965,929	20.91%
Hotel Fund	\$ 7,063,758	\$ 1,241,412	17.57%
Economic Development	\$ 1,685,707	\$ 244,751	14.52%
Airport Operations	\$ 4,225,261	\$ 1,140,017	26.98%
Utility Operations	\$ 9,177,247	\$ 1,450,405	15.80%

Executive Dashboard – 1st Quarter, 2016 Fiscal Year

Financial Indicators

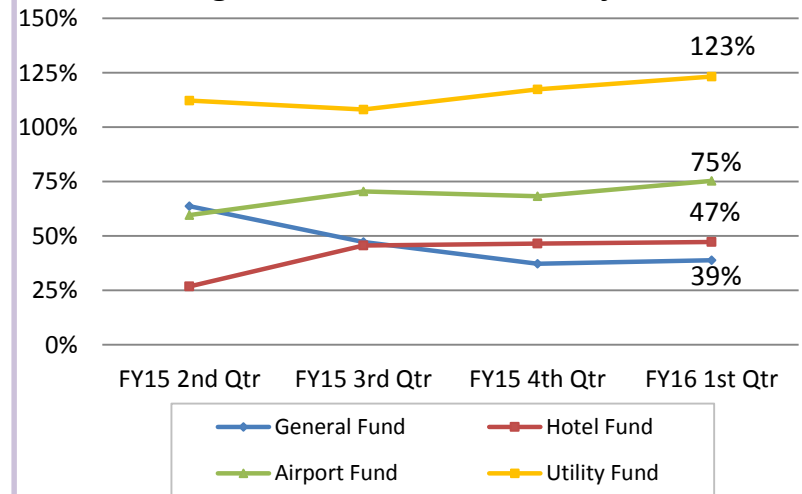
Overall Fund Outlook:



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Ending Fund Balance - Four Major Funds



Executive Dashboard – 1st Quarter, 2016 Fiscal Year

Financial Indicators

Personnel Information:

New Hires - Benefitted Positions

10/2015 - 12/2015

Department	Part-Time Positions	Full-time positions	Total, 1st Qtr	YTD
City Manager	0	1	1	1
Finance	0	1	1	1
Parks	0	1	1	1
Police	0	3	3	3
Streets	0	2	2	2
Recreation	0.5	0	0.5	0.5
Grand Total	0.5	8	8.5	8.5

Separations - Benefitted Positions

10/2015 - 12/2015

Department	Part-Time Positions	Full-time positions	Total, 1st Qtr	YTD
Fire	0	2	2	2
Police	0	3	3	3
Recreation	0	1	1	1
Grand Total	0	6	6	6

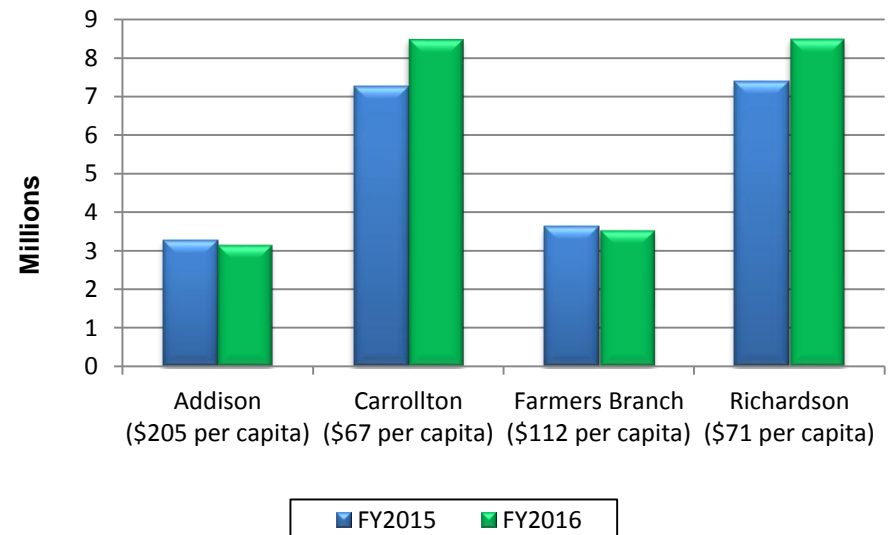
Economic Development Incentives:

Executed Agreements	Amount Paid FY16	Total Incentives Committed
3	\$0	\$303,000

Purchasing Information:

FY15 Bid Savings	FY16 Bid Savings	FY16 Savings Goal
\$1,675,971	\$266,149	\$650,000

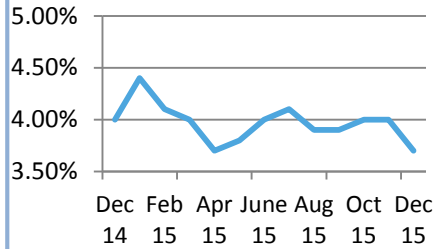
1st Quarter Sales Tax Comparison



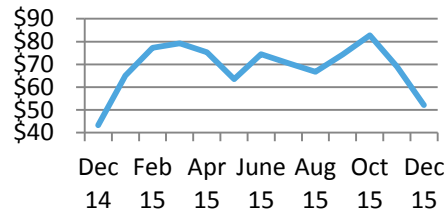
Executive Dashboard – 1st Quarter, 2016 Fiscal Year

Economic Indicators

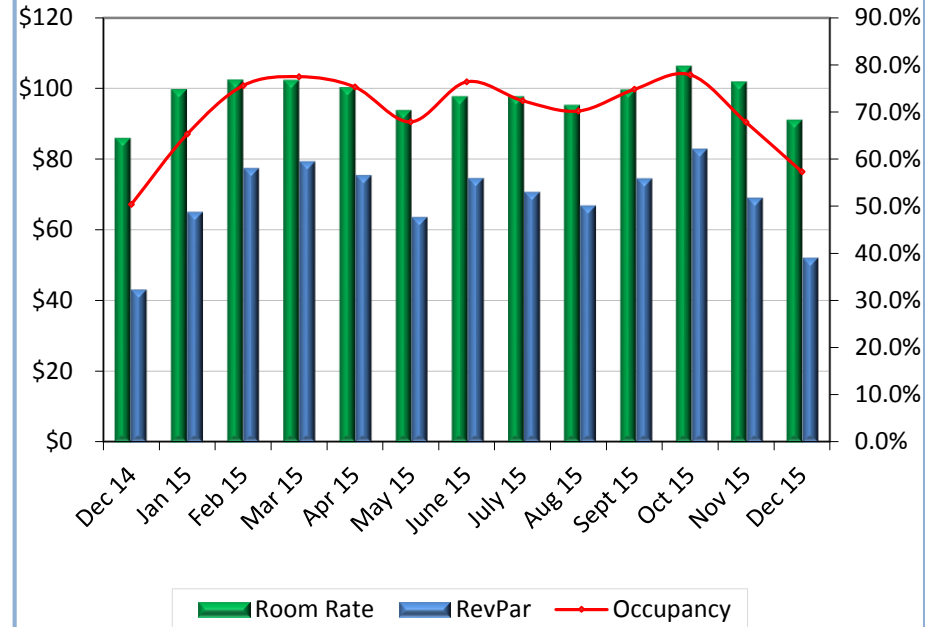
**DFW Unemployment Rate
Last 12 months**



**Hotel Rev Per Available
Room
Last 12 months**



Addison Hotel Statistics



Occupancy Indicators:

Office Occupancy

Retail Occupancy

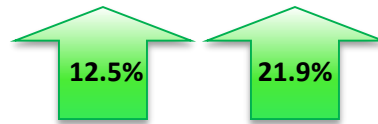


Source: CoStar
(compares to prior year)

Hotel Indicators:

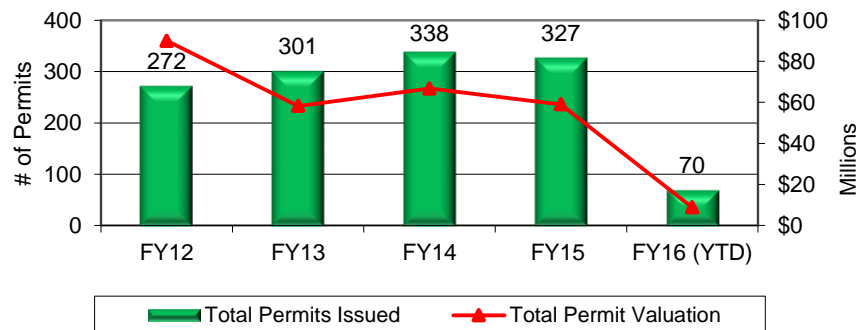
Hotel Occupancy

RevPAR

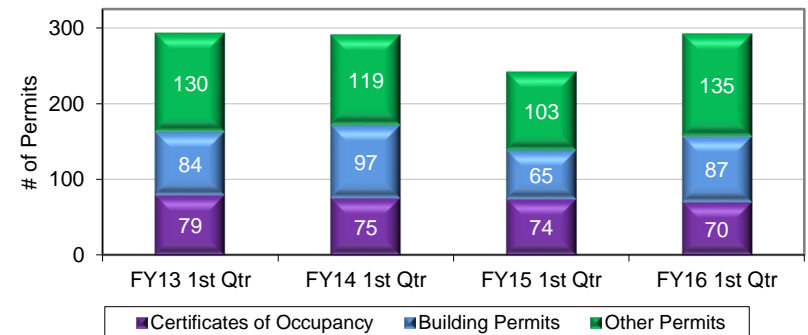


Source: STR Report
(compares to prior year)

Total Permits Issued and Valuation

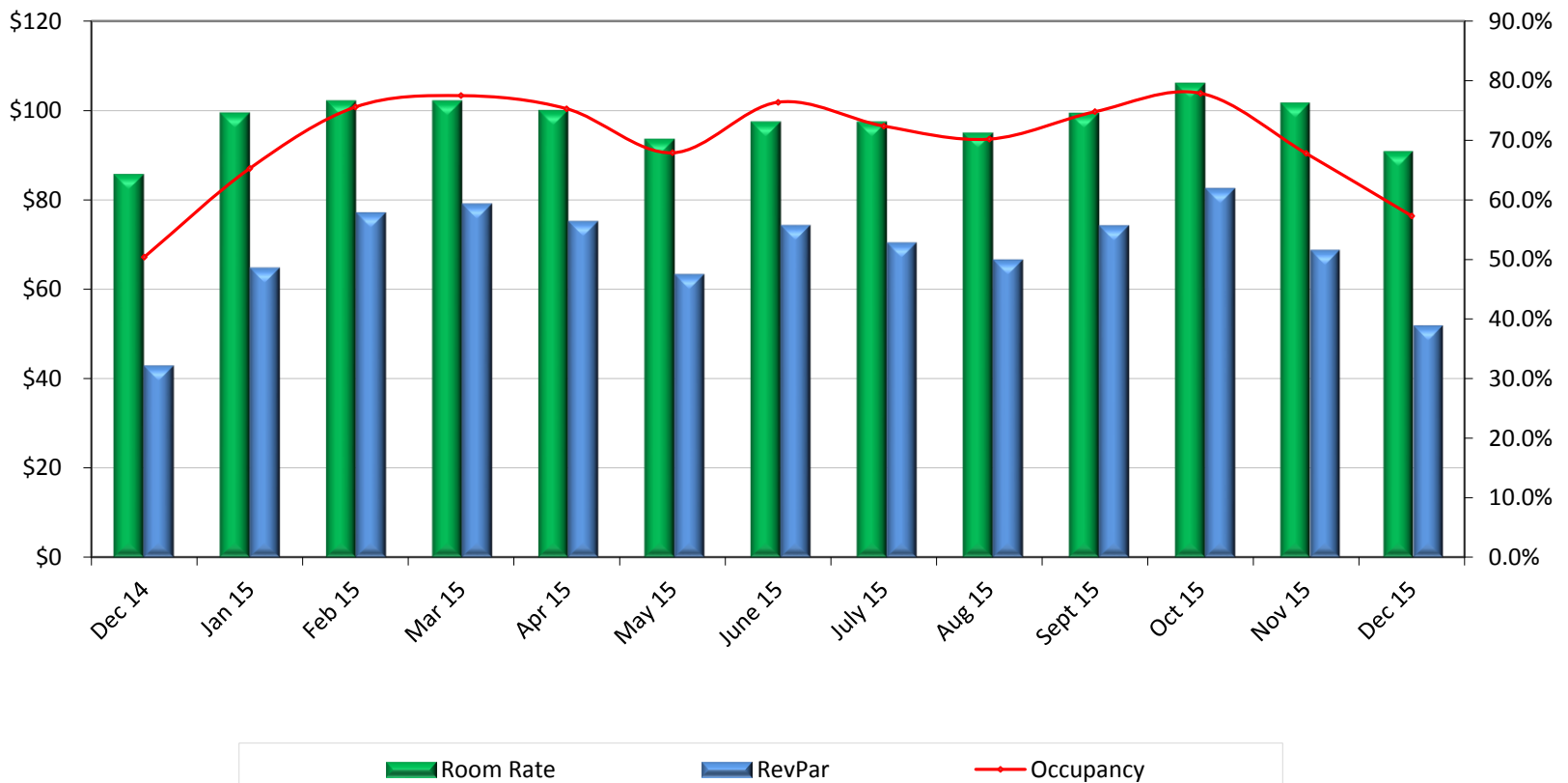


Quarterly Permit Activity





Hotel Fund





Department of Finance
Quarterly Review

For the Period Ended December 31, 2015

Town of Addison

Executive Dashboard – 1st Quarter, 2016 Fiscal Year

Financial Indicators

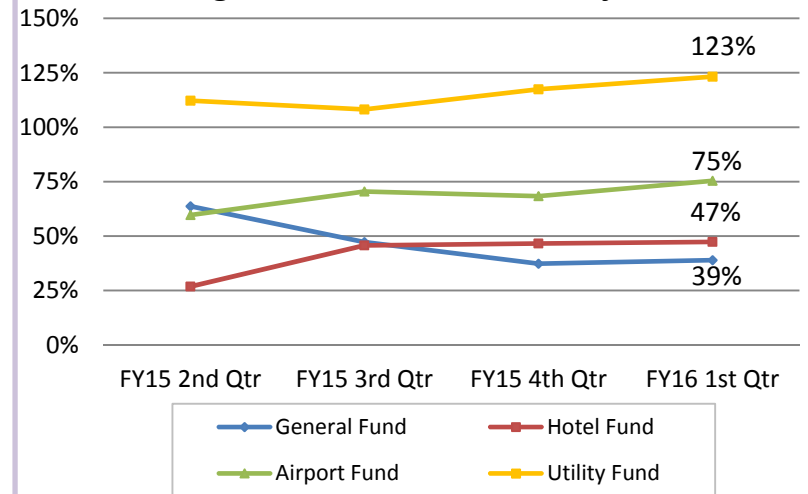
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Ending Fund Balance - Four Major Funds



Executive Dashboard – 1st Quarter, 2016 Fiscal Year

Financial Indicators

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New Hires - Benefitted Positions				
10/2015 - 12/2015				
Department	Part-Time Positions	Full-time positions	Total, 1st Qtr	YTD
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Recreation	0	1	1	1
Grand Total	0	6	6	6

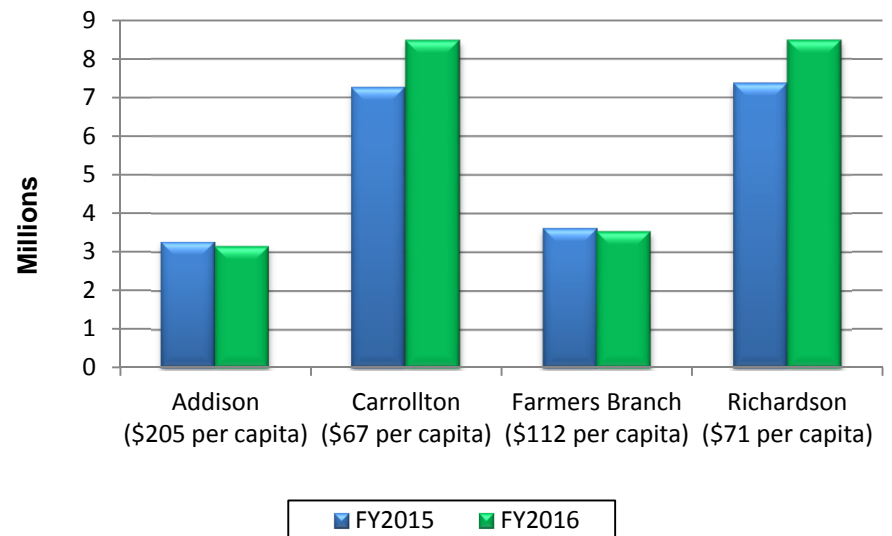
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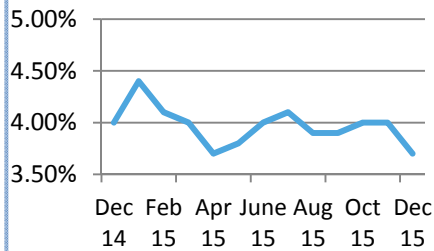
1st Quarter Sales Tax Comparison



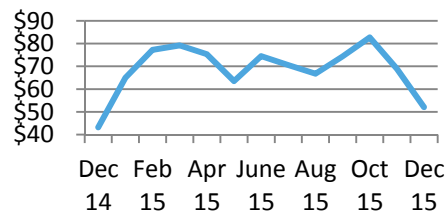
Executive Dashboard – 1st Quarter, 2016 Fiscal Year

Economic Indicators

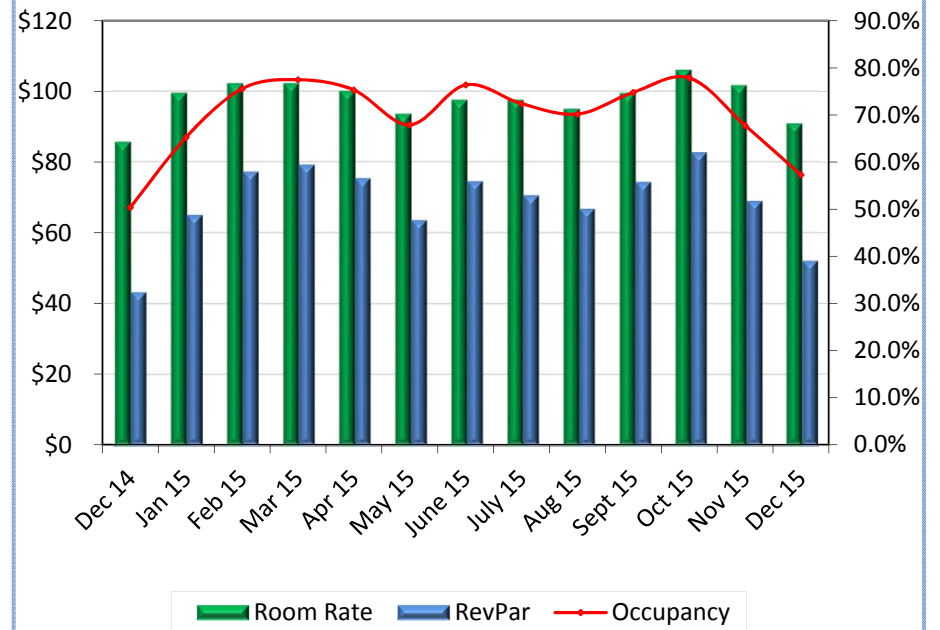
**DFW Unemployment Rate
Last 12 months**



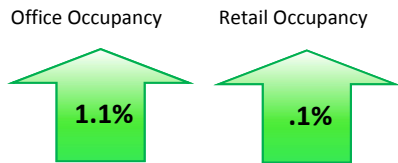
**Hotel Rev Per Available
Room
Last 12 months**



Addison Hotel Statistics

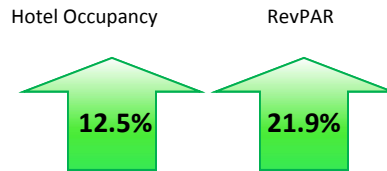


Occupancy Indicators:



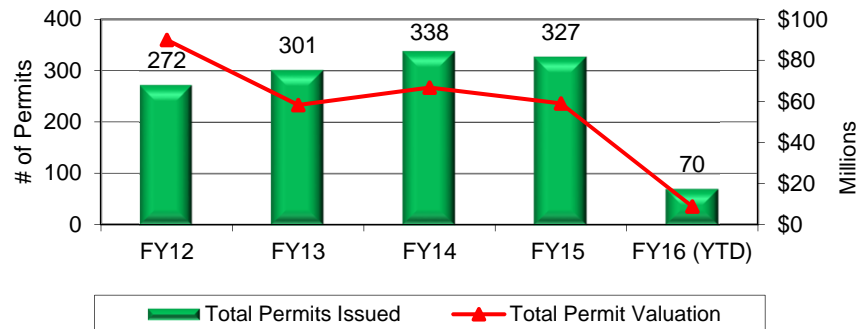
Source: CoStar
(compares to prior year)

Hotel Indicators:

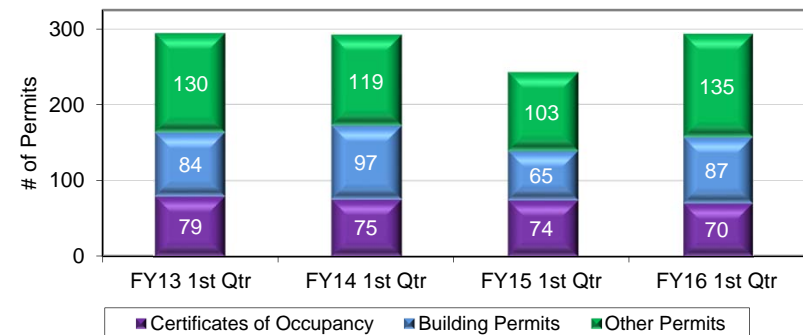


Source: STR Report
(compares to prior year)

Total Permits Issued and Valuation



Quarterly Permit Activity





MEMO

To: Wes Pierson, City Manager

From: Dr. Scott Neils, Interim Chief Financial Officer

Re: First Quarter Financial Review

Date: February 23, 2016

This is the first quarter report for the 2015-2016 fiscal year. Revenues and expenditures reflect activity from October 1, 2015 through December 31, 2015, three of twelve months, or twenty-five percent of the fiscal year.

GENERAL FUND

- Fiscal year to date revenue totaled \$8.5 million, which is 25 percent of the overall budget amount. Total revenue is approximately \$749 thousand or 9.7 percent more than received this time last year. Net sales tax collections totaled \$3.2 million, a 3.7 percent decrease over the previous year-to-date collections. Current year alcoholic beverage tax collections are below the amount received this time last year by \$274,943 or 100 percent, because the funds have not yet been received from the state. Municipal Court fines, Licenses and Permits are trending slightly below budgeted amounts.
- Fiscal year to date expenditures and transfers totaled \$6.96 million, which is 20.9 percent of budget and \$1.4 million, or 17 percent less than amounts spent this time last year, which is due primarily to the lack of transfer from the General Fund to the Infrastructure Investment Fund. Most departments appear to be on pace with, or below, their respective budgets.

HOTEL FUND

- Revenues through the first quarter totaled \$1.6 million, an increase of \$141 thousand or 9 percent from the prior year. This is due primarily to an increase in occupancy tax and theatre revenues. Hotel occupancy tax collections of \$1.4 million are \$286 thousand, or 25 percent more than at this time last year. Proceeds from Special Events are below budget due to performance the timing of events; all significant events occur between May and September. The remaining revenue categories are above their budgeted numbers.
- Hotel Fund expenditures of \$1.2 million are 17.6 percent of budget and \$113,638 thousand less than this time a year ago. Performing arts budget is at 54.6 percent of budget due to purchasing new lighting and paying on annual service contracts. All other departments are below their respective budgets.

AIRPORT FUND

- Operating revenue through the first quarter totaled \$1.4 million, compared to \$1.3 million in the prior year. This represents an increase of 7 percent. This can be attributed mainly to an increase in miscellaneous revenues.
- Through the first quarter, operating expenses amounted to \$1.1 million, resulting in operating income of \$293 thousand. While most expenses are under their budgeted amounts, some expenses ended the quarter trending above budget.

UTILITY FUND

- Operating revenue through the first quarter totaled \$2 million, compared to \$1.9 million in the prior year. This represents an increase of 5 percent. This increase can be attributed mainly to a rise in tap fees.
- Operating expenses through the first quarter totaled \$1.3 million, bringing net operating income to \$636 thousand. Working capital decreased \$100 thousand from the prior fiscal year, due primarily to capital expenses.

INVESTMENT REPORT

- Cash held in investments for all funds as of December 31, 2015 totaled \$88.6 million, representing an increase of approximately \$1.4 million from the previous quarter.
- The City's average investment yield to maturity at the end of December was 0.625 percent, an increase from the previous quarter's yield of 0.36 percent. This yield is higher than the TexPool benchmark of 0.186 percent. The average weighted maturity increased from 146 days to 351 days.
- The Town's current portfolio consists of 28% CDs, 21% Local Government Investment Pools, and 46% Agency Securities while 43% of the portfolio has maturities of 90 days or less. Additionally, staff will continue to seek out CDs and callable agency securities in order to maximize yields. Finally, with interest rates expected to remain low through the beginning of 2016, we will look to extend the portfolio's duration to the extent that cash flow allows.

TOWN OF ADDISON

GENERAL FUND

FY 2016 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET

With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2014-15 ACTUAL PRIOR YEAR	FY 2015-16 REVISED BUDGET	FY 2015-16 ACTUAL 1ST QTR	ACTUAL YTD as % of Budget
Revenues:				
Ad Valorem taxes:				
Current taxes	\$ 11,424,738	\$ 13,940,240	\$ 3,728,737	26.7%
Delinquent taxes	(71,220)	6,750	(17,549)	-260.0%
Penalty & interest	25,457	16,720	2,736	16.4%
Non-property taxes:			-	
Sales tax	13,038,912	12,305,000	3,158,222	25.7%
Alcoholic beverage tax	1,176,643	870,000	-	0.0%
Franchise / right-of-way use fees:			-	
Electric franchise	1,539,971	1,500,000	467,897	31.2%
Gas franchise	273,320	190,000	-	0.0%
Telecommunication access fees	593,387	650,000	158,542	24.4%
Cable franchise	414,892	335,000	106,539	31.8%
Street rental fees	6,850	5,000	(500)	-10.0%
Licenses and permits:			-	
Business licenses and permits	259,487	170,750	24,620	14.4%
Building and construction permits	751,736	649,450	134,667	20.7%
Service fees:			-	
General government	849	500	55	11.0%
Public safety	853,445	886,000	209,603	23.7%
Urban development	3,830	3,000	-	0.0%
Streets and sanitation	400,562	382,600	77,213	20.2%
Recreation	72,279	80,300	11,558	14.4%
Interfund	230,000	230,000	86,863	37.8%
Court fines	725,190	781,900	134,025	17.1%
Interest earnings	69,431	30,000	(180)	-0.6%
Rental income	236,667	275,000	30,000	10.9%
Other	65,597	58,905	146,482	248.7%
Total Revenues	32,092,023	33,367,115	8,459,530	25%

TOWN OF ADDISON

GENERAL FUND

FY 2016 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET

With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2014-15 ACTUAL PRIOR YEAR	FY 2015-16 REVISED BUDGET	FY 2015-16 ACTUAL 1ST QTR	ACTUAL YTD as % of Budget
Expenditures:				
General Government:				
City manager	1,538,933	1,302,565	267,857	20.6%
Finance	1,008,993	1,231,286	225,971	18.4%
General services	679,165	666,310	169,951	25.5%
Municipal court	499,705	586,428	108,156	18.4%
Human resources	492,604	583,959	122,205	20.9%
Information technology	1,581,032	1,910,708	301,176	15.8%
Combined services	1,077,938	1,475,980	202,756	13.7%
Council projects	578,232	331,879	165,260	49.8%
Public safety:	-	-	-	-
Police	8,610,726	8,520,606	1,851,655	21.7%
Emergency communications	1,377,265	1,318,483	277,992	21.1%
Fire	6,709,119	6,808,772	1,467,745	21.6%
Development services	1,086,232	1,211,637	202,212	16.7%
Property Standards	-	172,656	31,145	18.0%
Streets	1,801,462	2,060,482	245,617	11.9%
Parks and Recreation:	-	-	-	-
Parks	3,103,605	3,463,320	979,986	28.3%
Recreation	1,646,110	1,652,493	342,495	20.7%
Other financing uses:	-	-	-	-
Transfers	4,015,000	15,000	3,750	25.0%
Total Expenditures	35,806,121	33,312,564	6,965,929	20.9%
Net Change in Fund Balance	(3,714,098)	54,551	1,493,601	
Fund Balance at Beginning of Year	16,130,096	12,415,998	12,415,998	37.3%
Fund Balance at End of Year	\$ 12,415,998	\$ 12,470,549	\$ 13,909,599	199.7%

TOWN OF ADDISON

HOTEL FUND

FY 2016 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET

With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2014-15 ACTUAL PRIOR YEAR	FY 2015-16 REVISED BUDGET	FY 2015-16 ACTUAL 1ST QTR	ACTUAL YTD as % of Budget
Revenues:				
Hotel/Motel occupancy taxes	\$ 5,512,956	\$ 5,500,000	1,418,852	25.8%
Proceeds from special events	1,028,501	2,045,717	10,782	0.5%
Conference centre rental	624,661	630,000	152,490	24.2%
Visit Addison rental	253,463	-	-	0.0%
Theatre centre rental	148,418	122,290	39,352	32.2%
Interest and miscellaneous	19,723	10,000	4,775	47.8%
Total Revenues	7,587,722	8,308,007	1,626,252	19.6%
Expenditures:				
Visitor services	-	-	-	0.0%
Visit Addison	765,399	400,000	12,573	3.1%
Conference centre	872,628	1,216,466	235,231	19.3%
Marketing	2,279,420	972,224	81,348	8.4%
Special events	957,729	2,529,296	262,771	10.4%
Performing arts	542,065	581,385	317,403	54.6%
General hotel operations	36,304	107,263	17,806	16.6%
Other financing uses:	-	-	-	
Transfer to debt serv & ED funds	1,211,082	1,257,124	314,281	25.0%
Total Expenditures	6,664,627	7,063,758	1,241,412	17.6%
Net Change in Fund Balance	923,095	1,244,248	384,840	
Fund Balance at Beginning of Year	1,194,674	2,117,769	2,117,769	30.0%
Fund Balance at End of Year	\$ 2,117,769	\$ 3,362,017	\$ 2,502,609	201.6%

TOWN OF ADDISON

ECONOMIC DEVELOPMENT FUND

FY 2016 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET

With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2014-15 ACTUAL PRIOR YEAR	FY 2015-16 REVISED BUDGET	FY 2015-16 ACTUAL 1ST QTR	ACTUAL YTD as % of Budget
Revenues:				
Ad Valorem taxes:				
Current taxes	\$ 973,607	\$ 998,800	265,533	26.6%
Delinquent taxes	(6,062)	480	(1,256)	-261.6%
Penalty & interest	2,169	1,190	158	13.3%
Business license fee	68,838	70,000	700	1.0%
Interest income and other	3,400	10,200	829	8.1%
Transfers from General/Hotel Fund	515,282	560,524	140,131	25.0%
Total Revenues	1,557,234	1,641,194	406,095	24.7%
Expenditures:				
Personnel services	353,523	381,809	87,455	22.9%
Supplies	20,854	29,700	4,112	13.8%
Maintenance	62,447	50,541	13,774	27.3%
Contractual services	824,881	1,198,076	133,014	11.1%
Capital replacement/lease	19,148	25,581	6,395	25.0%
Total Expenditures	1,280,853	1,685,707	244,751	14.5%
Net Change in Fund Balance	276,381	(44,513)	161,344	
Fund Balance at Beginning of Year	477,233	753,614	753,614	44.7%
Fund Balance at End of Year	\$ 753,614	\$ 709,101	\$ 914,958	373.8%

AIRPORT FUND

FY 2016 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET

With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2014-15 ACTUAL PRIOR YEAR	FY 2015-16 REVISED BUDGET	FY 2015-16 ACTUAL 1ST QTR	ACTUAL YTD as % of Budget
Operating Revenues:				
Operating grants	\$ 1,201	\$ 50,000	48,140	96.3%
Fuel flowage fees	829,044	791,680	212,024	26.8%
Rental	4,622,387	4,234,732	1,065,920	25.2%
User fees	61,379	161,250	27,112	16.8%
Other income	13,588	-	80,149	0.0%
Total Operating Revenues:	5,527,599	5,237,662	1,433,345	27.4%
Operating Expenses:				
Town - Personnel services	315,510	361,152	72,567	20.1%
Town - Supplies	58,326	41,000	1,457	3.6%
Town - Maintenance	88,270	112,910	24,052	21.3%
Town - Contractual services	560,906	172,990	56,373	32.6%
Town - Capital Replacement/Lease	-	19,160	4,790	25.0%
Grant - Maintenance	-	100,000	-	0.0%
Operator - Operations and maintenance	2,426,776	3,004,748	816,660	27.2%
Operator - Service contract	396,971	413,301	164,118	39.7%
Total Operating Expenses:	3,846,759	4,225,261	1,140,017	27.0%
Operating Income/(Loss) (excluding depreciation)	1,680,840	1,012,401	293,328	
Non-Operating revenues (expenses):				
Interest earnings	-	5,000	5,184	103.7%
Principal & interest on debt, fiscal fees & other	(583,766)	(587,691)	(735)	0.1%
Capital grants	-	-	-	0.0%
Capital outlay	(422,202)	(122,000)	-	0.0%
Net Total Non-Operating revenues (expenses):	(1,005,968)	(704,691)	4,449	-0.6%
Net Change to Working Capital	674,872	307,710	297,777	
Working Capital at Beginning of Year	2,211,555	2,886,427	2,886,427	
Working Capital at End of Year	\$ 2,886,427	\$ 3,194,137	\$ 3,184,204	

UTILITY FUND

FY 2016 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2014-15 ACTUAL PRIOR YEAR	FY 2015-16 REVISED BUDGET	FY 2015-16 ACTUAL 1ST QTR	ACTUAL YTD as % of Budget
Operating revenues:				
Water sales	\$ 5,678,134	\$ 5,758,909	1,154,126	20.0%
Sewer charges	4,428,030	4,524,621	792,536	17.5%
Tap fees	12,580	7,000	10,750	153.6%
Penalties	64,949	75,000	25,426	33.9%
Other Income/(Expenses)	(7,107)	15,000	-	0.0%
Total Operating Revenues:	10,176,586	10,380,530	1,982,838	19.1%
Operating expenses:				
Water purchases	2,895,316	3,459,088	281,495	8.1%
Wastewater treatment	2,393,235	2,298,729	455,324	19.8%
Utility operations	2,456,051	3,419,430	610,429	17.9%
Total Operating Expenses:	7,744,602	9,177,247	1,347,247	14.7%
Operating Income/(Loss) (excluding depreciation)	2,431,984	1,203,284	635,591	
Non-Operating revenues (expenses):				
Debt proceeds	-	-	-	
Interest earnings and other	-	(110,510)	(9,715)	8.8%
Principal and interest on debt, fiscal fees & other	(1,048,690)	(1,091,014)	-	0.0%
Capital outlay	(2,416,348)	(3,427,164)	(93,443)	2.7%
Net Total Non-Operating revenues (expenses):	(3,465,038)	(4,628,688)	(103,158)	2.2%
Net Change to Working Capital	(1,033,054)	(3,425,405)	532,433	
Working Capital at Beginning of Year	11,810,139	10,777,085	10,777,085	
Working Capital at End of Year	\$ 10,777,085	\$ 7,351,680	\$ 11,309,518	

STORM WATER UTILITY FUND

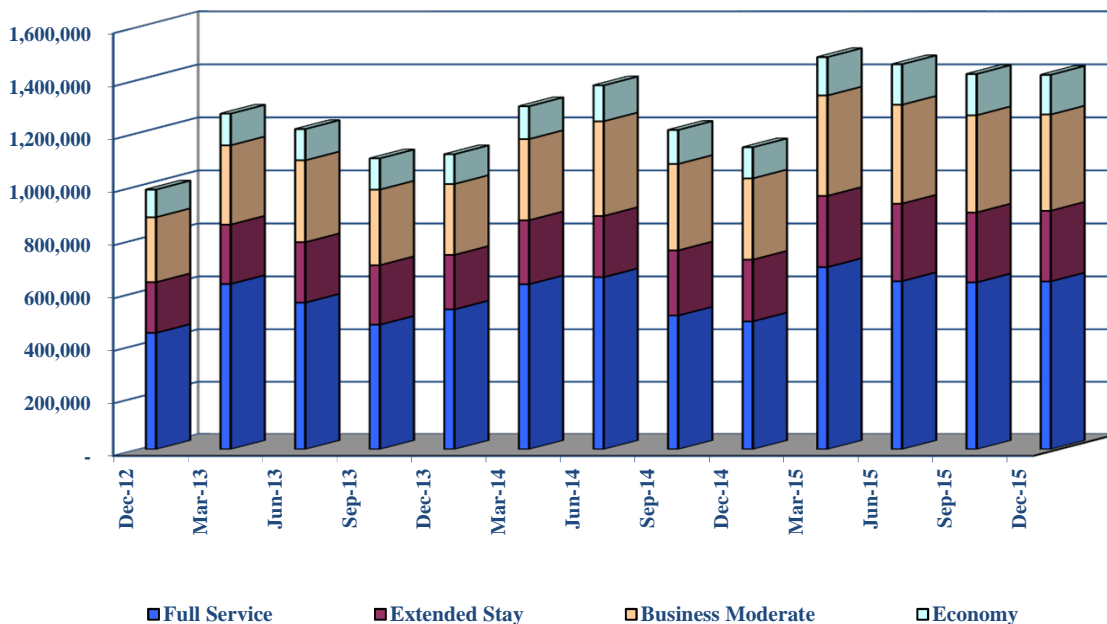
FY 2016 QUARTERLY STATEMENT OF REVENUES AND EXPENDITURES COMPARED TO BUDGET

With Comparative Information from Prior Fiscal Year

CATEGORY	FY 2014-15 ACTUAL PRIOR YEAR	FY 2015-16 REVISED BUDGET	FY 2015-16 ACTUAL 1ST QTR	ACTUAL YTD as % of Budget
Operating revenues:				
Drainage Fees	\$ 1,729,899	\$ 1,773,900	342,795	19.3%
Total Operating Revenues:	1,729,899	1,773,900	342,795	19.3%
Operating expenses				
Personnel services	72,260	105,614	12,090	11.4%
Supplies	947	12,700	82	0.6%
Maintenance	55,583	186,500	4,594	2.5%
Contractual services	435,720	247,475	23,743	9.6%
Total Operating Expenses:	564,510	552,289	40,510	7.3%
Operating Income/(Loss) (excluding depreciation)	1,165,389	1,221,611	302,285	
Non-Operating revenues (expenses):				
Debt proceeds	-	-	-	0.0%
Interest earnings and other	35,869	5,000	12,032	240.6%
Interest and principal on debt, fiscal fees & other	(545,066)	(544,716)	-	0.0%
Capital outlay	(128,721)	(5,070,000)	-	0.0%
Net Total Non-Operating revenues (expenses):	(637,918)	(5,609,716)	12,032	-0.2%
Net Change to Working Capital	527,471	(4,388,105)	314,317	
Working Capital at Beginning of Year	9,340,431	9,867,902	9,867,902	
Working Capital at End of Year	\$ 9,867,902	\$ 5,479,797	\$ 10,182,219	

TOWN OF ADDISON HOTEL OCCUPANCY TAX COLLECTION
Hotels By Service Type for the Quarter and Year-to-Date Ended December 31, 2015
With Comparative Information from Prior Fiscal Year

	Rooms		Oct - Dec		16 to 15 % Diff.	YTD FY 16		16 to 15 % Diff.
	Number	Percentage	Amount	Percentage		Amount	Percentage	
Full Service								
Marriott Quorum	547	14%	\$ 239,754	17%	10%	\$ 239,754	17%	-3%
Intercontinental	528	13%	241,592	17%	10%	241,592	17%	3%
Crowne Plaza	428	11%	158,181	11%	12%	158,181	11%	7%
	1,503	38%	639,527	45%		639,527	45%	
Extended Stay								
Budget Suites	344	9%	4,394	0%	-36%	4,394	0%	2%
Hawthorne Suites	70	2%	18,944	1%	13%	18,944	1%	0%
Marriott Residence	150	4%	55,735	4%	16%	55,735	4%	17%
Summerfield Suites	132	3%	61,106	4%	11%	61,106	4%	8%
Homewood Suites	120	3%	52,945	4%	8%	52,945	4%	12%
Springhill Suites	159	4%	73,673	5%	12%	73,673	5%	16%
	975	25%	266,797	19%		266,797	19%	
Business Moderate								
Marriott Courtyard Quorum	176	4%	89,389	6%	13%	89,389	6%	7%
LaQuinta Inn	152	4%	52,803	4%	39%	52,803	4%	31%
Marriott Courtyard Proton	145	4%	63,118	4%	33%	63,118	4%	39%
Radisson - Addison	101	3%	43,389	3%	16%	43,389	3%	10%
Hilton Garden Inn	96	2%	50,205	4%	20%	50,205	4%	16%
Holiday Inn - Arapaho	101	3%	36,697	3%	30%	36,697	3%	35%
Best Western Plus	84	2%	27,135	2%	30%	27,135	2%	11%
	855	22%	362,736	26%		362,736	26%	
Economy								
Motel 6	124	3%	26,870	2%	8%	26,870	2%	8%
Hampton Inn	158	4%	65,205	5%	16%	65,205	5%	11%
Red Roof Inn	104	3%	22,060	2%	33%	22,060	2%	30%
Comfort Suites	78	2%	26,315	2%	9%	26,315	2%	-2%
Super 8	71	2%	9,342	1%	36%	9,342	1%	18%
Best Value	60	2%	-	0%	33%	-	0%	20%
	595	15%	149,792	11%		149,792	11%	
TOTAL	3,928	100%	\$ 1,418,852	100%		\$ 1,418,852	100%	



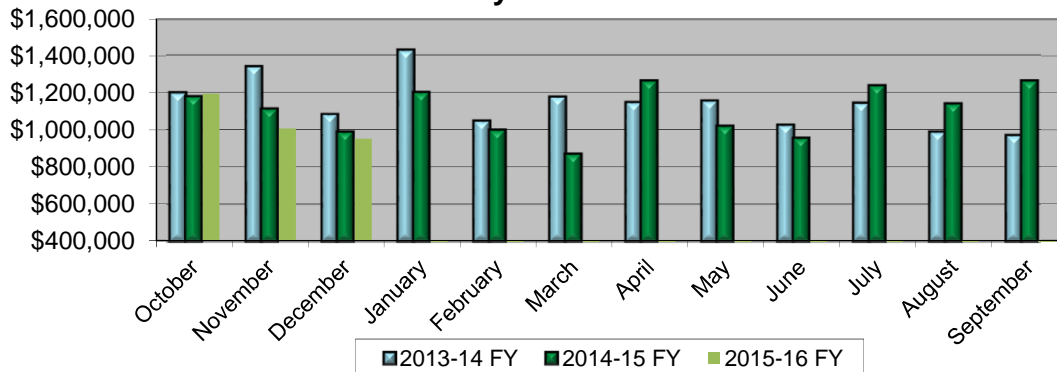
TOWN OF ADDISON

Schedule of Sales Tax Collections and Related Analyses

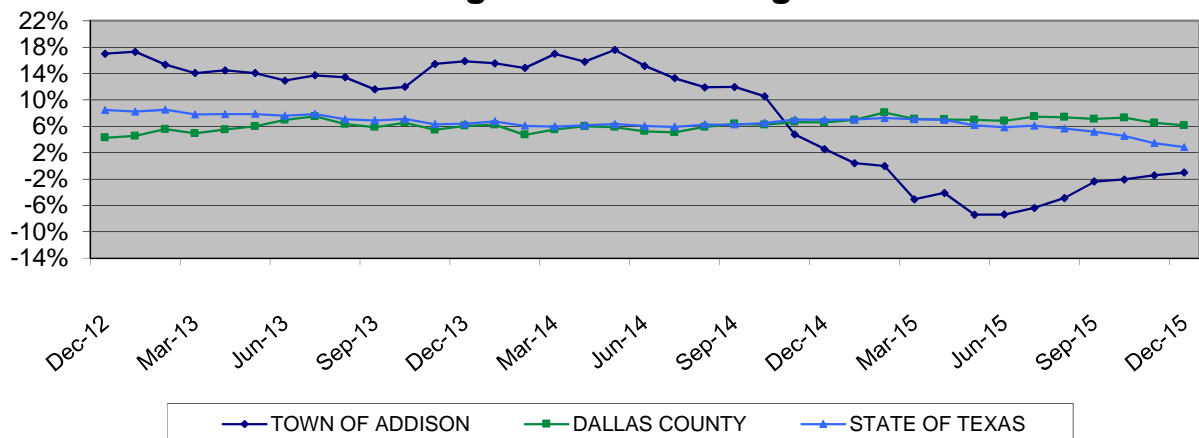
For the period ending December 31, 2015

TOWN OF ADDISON					DALLAS COUNTY		STATE OF TEXAS	
2015-16 Collections			% Change from Prior Year		% Change from Prior Year		% Change from Prior Year	
	Monthly	Cumulative	Monthly	Cumulative	Monthly	Cumulative	Monthly	Cumulative
October	\$ 1,197,786	\$ 1,197,786	1.7%	1.7%	8.4%	8.4%	1.8%	1.8%
November	1,008,587	2,206,373	-9.3%	-3.6%	1.1%	4.9%	-2.4%	-0.2%
December	951,849	3,158,222	-3.7%	-3.7%	4.1%	4.7%	0.0%	-0.1%
January	-	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
Budget 15-16:		\$ 12,305,000						
Projected Year End		\$ 12,305,000						

Monthly Sales Tax Collections



Rolling 12-Month Averages



COLLATERAL SUMMARY

The first and most important objective for public funds investments is safety of assets. Therefore, all non-government security investments and bank accounts in excess of FDIC coverage must be secured by collateral. The bank balances and investments are monitored on a regular basis for appropriate coverage by marking the collateral to market. Collateral levels are adjusted to secure the varying levels of receipts throughout the fiscal year.

Town of Addison Collateral Analysis Demand Deposit Cash December 31, 2015

Pledging Institution	Safekeeping Location	Account Title	Pledged Security Description	Security Par Value	Market Value	FDIC Insurance	Ending Bank Balance	Difference Over(Under)
Frost Bank	Federal Reserve	Operating	U.S. Treas. due 8/31/21	\$ 395,000	\$ 395,926			
Frost Bank	Federal Reserve	Operating	U.S. Treas. due 8/31/19	988,000	990,007			
Frost Bank	Federal Reserve	Operating	GNMA due 9/15/2024	583,841	620,471			
Frost Bank	Federal Reserve	Operating	GNMA due 9/15/2024	1,071,332	1,138,545			
Frost Bank	Federal Reserve	Operating	GNMA due 9/15/2024	1,800,847	1,913,829			
Frost Bank	Federal Reserve	Operating	GNMA due 9/15/2024	655,875	697,024			
				<u>\$ 5,494,895</u>	<u>\$ 5,755,801</u>	<u>\$ 250,000</u>	<u>\$ 4,225,697</u>	<u>\$ 1,780,104</u>

Town of Addison



**For the Quarter Ended
December 31, 2015**

Report Name

Certification Page

Executive Summary

Benchmark Comparison

Detail of Security Holdings

Change in Value

Earned Income

Investment Transactions

Amortization and Accretion

Projected Fixed Income Cash Flows

MARKET RECAP - DECEMBER 2015:

After a year-long countdown, liftoff finally came in December. Seven years to the day after cutting the overnight fed funds target rate to a range of 0.00%-0.25%, the Federal Reserve finally saw fit to raise the benchmark rate by a mostly symbolic 25 basis points, to a range of 0.25%-0.50%. Current expectations suggest additional 25 basis point hikes will come roughly once per quarter through 2016. That pace would take the fed funds rate to 1.25%-1.50% by the end of the year. That would be a very modest pace of rate hikes by historical standards. The Fed's decision to begin raising the fed funds rate comes despite some lingering doubts about the health of the overall economy and very tame price pressures as a strong dollar, falling commodities prices and oil below \$40 per barrel keep inflation at bay.

The ISM manufacturing index stands as exhibit one for those raising the caution flag as it slipped to 48.6 in November, dropping below the 50 level, signaling contraction for the first time since 2012 and reaching the lowest level since 2009. The non-manufacturing index fell more than expected, but remains relatively strong at 55.9. The November employment report was better than forecast with the economy adding +211k new jobs and the unemployment rate holding steady at 5%. Retail sales posted the best showing in four months, rising +0.2% in November. Although year-over-year sales growth has slowed to just +1.3%. The producer price index rose +0.3% during November but has fallen -1.1% over the last 12 months. The core PPI is up only +0.5% year-over-year. Consumer prices were flat in November and the consumer price index is up only +0.5% year-over-year. Core CPI, which excludes food and energy, has firmed a bit and is running at +2.0% year-over-year. Existing home sales plunged -10.5% in November as it appears the implementation of new disclosure rules caused some problems. This should resolve itself in a month or two. New home sales did better and continue to bob around the 500k annual unit level. The final revision to Q3 GDP took growth down a tenth to +2.0%.

The mixed data did not dissuade a Fed which had clearly grown uncomfortable with the official policy rate so close to zero for so long. Financial markets took the rate hike in stride as it has been well telegraphed for many months. The greater concern seems to be emanating from collapsing oil prices, a strong dollar and the soft global economy, especially China. Equity markets struggled throughout December with the Dow Jones Industrial Average falling -1.7% for the month and down -2.2% for the year. The S&P 500 posted similar results, dropping -1.8% in the month and -0.7% for 2015. Only the NSDAQ managed a positive return in 2015, rising 5.7% for the year. Interest rates rose and the yield curve flattened as the 2-year Treasury note yield, spurred by the Fed rate hike, rose 12 bps to 1.05% while the 10-year T-note gained just 6 bps in yield, closing the year at 2.27%.

For the Quarter Ended
December 31, 2015

This report is prepared for the **Town of Addison** (the "Entity") in accordance with Chapter 2256 of the Texas Public Funds Investment Act ("PFIA"). Section 2256.023(a) of the PFIA states that: "Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period." This report is signed by the Entity's investment officers and includes the disclosures required in the PFIA. To the extent possible, market prices have been obtained from independent pricing sources.

The investment portfolio complied with the PFIA and the Entity's approved Investment Policy and Strategy throughout the period. All investment transactions made in the portfolio during this period were made on behalf of the Entity and were made in full compliance with the PFIA and the approved Investment Policy.

Officer Names and Titles:

Account Summary

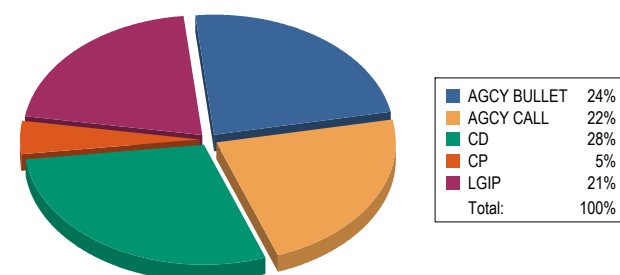
Allocation by Security Type

Beginning Values as of 09/30/15

Ending Values as of 12/31/15

Par Value	87,140,035.53	88,569,142.58
Market Value	87,167,782.53	88,340,403.58
Book Value	87,135,547.67	88,530,073.11
Unrealized Gain/(Loss)	32,234.86	(189,669.53)
Market Value %	100.04%	99.79%

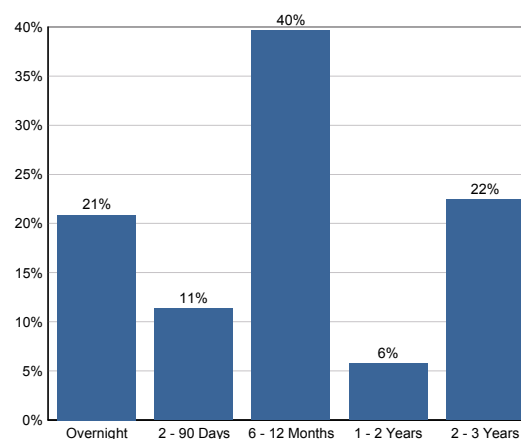
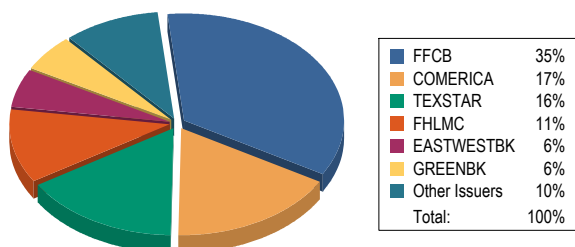
Weighted Avg. YTW	0.347%	0.625%
Weighted Avg. YTM	0.347%	0.625%



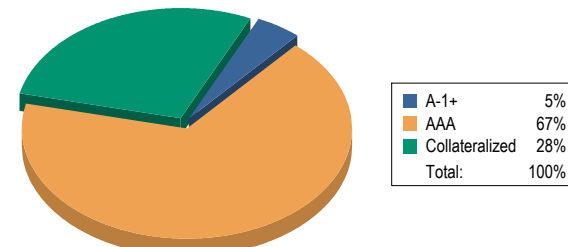
Allocation by Issuer

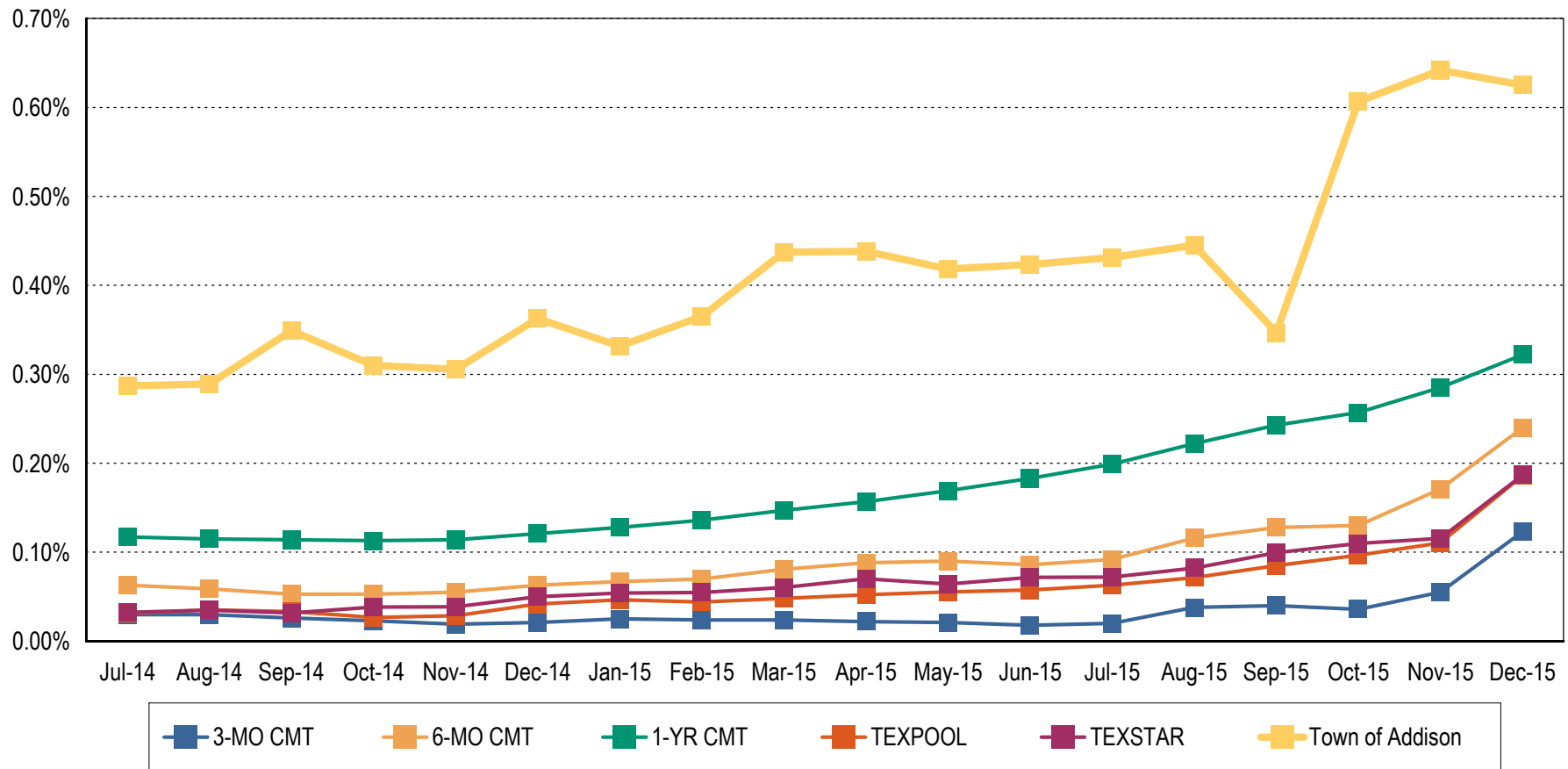
Maturity Distribution %

Credit Quality



Weighted Average Days to Maturity: 351





Note 1: CMT stands for Constant Maturity Treasury. This data is published in Federal Reserve Statistical Release H.15 and represents an average of all actively traded Treasury securities having that time remaining until maturity. This is a standard industry benchmark for Treasury securities. The CMT benchmarks are moving averages. The 3-month CMT is the daily average for the previous 3 months, the 6-month CMT is the daily average for the previous 6 months, and the 1-year and 2-year CMT's are the daily averages for the previous 12-months.

Note 2: Benchmark data for TexPool is the monthly average yield.

Note 3: Benchmark data for TexSTAR is the monthly average yield.

CUSIP	Settle Date	Sec. Type	Sec. Description	CPN	Mty Date	Next Call	Call Type	Par Value	Purch Price	Orig Cost	Book Value	Mkt Price	Market Value	Days to Mty	Days to Call	YTM	YTW
Pooled Funds																	
TEXPOOL		LGIP	TexPool					4,612,621.65	100.000	4,612,621.65	4,612,621.65	100.000	4,612,621.65	1		0.186	0.186
TEXSTAR		LGIP	TexSTAR					13,820,703.06	100.000	13,820,703.06	13,820,703.06	100.000	13,820,703.06	1		0.187	0.187
CD-3820-1	01/30/15	CD	Green Bk CD	0.448	01/30/16			5,000,000.00	100.000	5,000,000.00	5,000,000.00	100.000	5,000,000.00	30		0.448	0.448
CD-8583	03/02/15	CD	East West Bk CD	0.395	03/02/16			5,016,530.57	100.000	5,016,530.57	5,016,530.57	100.000	5,016,530.57	62		0.395	0.395
46640PGR8	10/30/15	CP - DISC	J.P.Morgan Sec		07/25/16			4,000,000.00	99.514	3,980,572.22	3,985,122.24	99.604	3,984,152.00	207		0.653	0.653
3133EEQG8	02/27/15	AGCY BULET	FFCB	0.550	08/17/16			4,000,000.00	100.029	4,001,160.00	4,000,495.96	99.995	3,999,808.00	230		0.530	0.530
CD-7123	09/04/14	CD	Comerica Bk CD	0.710	09/06/16			10,089,069.46	100.000	10,089,069.46	10,089,069.46	100.000	10,089,069.46	250		0.710	0.710
3133EFMW4	11/03/15	AGCY BULET	FFCB	0.400	11/03/16			10,000,000.00	99.974	9,997,354.00	9,997,779.80	99.717	9,971,730.00	308		0.427	0.427
3133EEFA3	12/23/14	AGCY BULET	FFCB	0.720	12/15/16			7,000,000.00	99.901	6,993,070.00	6,996,639.93	99.896	6,992,741.00	350		0.771	0.771
CD-7917	03/02/15	CD	Comerica Bk CD	0.800	03/02/17			5,030,217.84	100.000	5,030,217.84	5,030,217.84	100.000	5,030,217.84	427		0.800	0.800
3133EFJM0	10/30/15	AGCY CALL	FFCB	0.930	04/13/18	01/13/16	CONT	10,000,000.00	99.805	9,980,500.00	9,981,836.60	98.907	9,890,700.00	834	13	1.011	1.011
3134G7P54	10/30/15	AGCY CALL	FHLMC	1.200	10/29/18	01/29/16	QRTLY	10,000,000.00	99.990	9,999,000.00	9,999,056.00	99.321	9,932,130.00	1,033	29	1.203	1.203
Total for Pooled Funds								88,569,142.58	99.946	88,520,798.80	88,530,073.11	99.742	88,340,403.58	351		0.625	0.625
Total for Town of Addison								88,569,142.58	99.946	88,520,798.80	88,530,073.11	99.742	88,340,403.58	351		0.625	0.625

CUSIP	Security Type	Security Description	09/30/15 Book Value	Cost of Purchases	Maturities / Calls / Sales	Amortization / Accretion	Realized Gain/(Loss)	12/31/15 Book Value	09/30/15 Market Value	12/31/15 Market Value	Change in Mkt Value
Pooled Funds											
COM-CASH	BANK DEP	Cash-Comerica Bk CD Proceeds	10,110,581.72	0.00	(10,110,581.72)	0.00	0.00	0.00	10,110,581.72	0.00	(10,110,581.72)
TEXPOOL	LGIP	TexPool	4,611,094.70	1,526.95	0.00	0.00	0.00	4,612,621.65	4,611,094.70	4,612,621.65	1,526.95
TEXSTAR	LGIP	TexSTAR	25,315,390.79	7,701,609.18	(19,196,296.91)	0.00	0.00	13,820,703.06	25,315,390.79	13,820,703.06	(11,494,687.73)
31398A4M1	AGCY BULET	FNMA 1.625 10/26/15	4,003,413.76	0.00	(4,000,000.00)	(3,413.76)	0.00	0.00	4,004,256.00	0.00	(4,004,256.00)
36959JZA4	CP - DISC	GE Capital Corp 0.000 12/10/15	4,996,208.35	0.00	(5,000,000.00)	3,791.65	0.00	0.00	4,998,030.00	0.00	(4,998,030.00)
CD-3820-1	CD	Green Bk CD 0.448 01/30/16	5,000,000.00	0.00	0.00	0.00	0.00	5,000,000.00	5,000,000.00	5,000,000.00	0.00
CD-8583	CD	East West Bk CD 0.395 03/02/16	5,011,538.55	4,992.02	0.00	0.00	0.00	5,016,530.57	5,011,538.55	5,016,530.57	4,992.02
3133EDK84	AGCY CALL	FFCB 0.390 04/25/16	1,999,431.60	0.00	(2,000,000.00)	568.40	0.00	0.00	1,999,564.00	0.00	(1,999,564.00)
46640PGR8	CP - DISC	J.P.Morgan Sec 0.000 07/25/16	0.00	3,980,572.22	0.00	4,550.02	0.00	3,985,122.24	0.00	3,984,152.00	3,984,152.00
3133EEQG8	AGCY BULET	FFCB 0.550 08/17/16	4,000,693.08	0.00	0.00	(197.12)	0.00	4,000,495.96	4,006,136.00	3,999,808.00	(6,328.00)
CD-7123	CD	Comerica Bk CD 0.710 09/06/16	10,071,231.48	17,837.98	0.00	0.00	0.00	10,089,069.46	10,071,231.48	10,089,069.46	17,837.98
3133EFMW4	AGCY BULET	FFCB 0.400 11/03/16	0.00	9,997,354.00	0.00	425.80	0.00	9,997,779.80	0.00	9,971,730.00	9,971,730.00
3133EEFA3	AGCY BULET	FFCB 0.720 12/15/16	6,995,765.35	0.00	0.00	874.58	0.00	6,996,639.93	7,019,761.00	6,992,741.00	(27,020.00)
CD-7917	CD	Comerica Bk CD 0.800 03/02/17	5,020,198.29	10,019.55	0.00	0.00	0.00	5,030,217.84	5,020,198.29	5,030,217.84	10,019.55
3133EFJM0	AGCY CALL	FFCB 0.930 04/13/18	0.00	9,980,500.00	0.00	1,336.60	0.00	9,981,836.60	0.00	9,890,700.00	9,890,700.00
3134G7P54	AGCY CALL	FHLMC 1.200 10/29/18	0.00	9,999,000.00	0.00	56.00	0.00	9,999,056.00	0.00	9,932,130.00	9,932,130.00
Total for Pooled Funds			87,135,547.67	41,693,411.90	(40,306,878.63)	7,992.17	0.00	88,530,073.11	87,167,782.53	88,340,403.58	1,172,621.05
Total for Town of Addison			87,135,547.67	41,693,411.90	(40,306,878.63)	7,992.17	0.00	88,530,073.11	87,167,782.53	88,340,403.58	1,172,621.05

CUSIP	Security Type	Security Description	Beg. Accrued	Interest Earned	Interest Rec'd / Sold / Matured	Interest Purchased	Ending Accrued	Disc Accr / Prem Amort	Net Income
Pooled Funds									
TEXPOOL	LGIP	TexPool	0.00	1,526.95	1,526.95	0.00	0.00	0.00	1,526.95
TEXSTAR	LGIP	TexSTAR	0.00	5,312.27	5,312.27	0.00	0.00	0.00	5,312.27
31398A4M1	AGCY BULET	FNMA 1.625 10/26/15	27,986.11	4,513.89	32,500.00	0.00	0.00	(3,413.76)	1,100.13
36959JZA4	CP - DISC	GE Capital Corp 0.000 12/10/15	0.00	0.00	0.00	0.00	0.00	3,791.65	3,791.65
CD-3820-1	CD	Green Bk CD 0.448 01/30/16	3,866.30	5,646.03	5,646.03	0.00	3,866.30	0.00	5,646.03
CD-8583	CD	East West Bk CD 0.395 03/02/16	54.23	4,991.93	4,992.02	0.00	54.14	0.00	4,991.93
3133EDK84	AGCY CALL	FFCB 0.390 04/25/16	3,380.00	390.00	3,770.00	0.00	0.00	568.40	958.40
46640PGR8	CP - DISC	J.P.Morgan Sec 0.000 07/25/16	0.00	0.00	0.00	0.00	0.00	4,550.02	4,550.02
3133EEQG8	AGCY BULET	FFCB 0.550 08/17/16	2,688.89	5,500.00	0.00	0.00	8,188.89	(197.12)	5,302.88
CD-7123	CD	Comerica Bk CD 0.710 09/06/16	4,971.78	18,042.91	17,837.98	0.00	5,176.71	0.00	18,042.91
3133EFMW4	AGCY BULET	FFCB 0.400 11/03/16	0.00	6,444.44	0.00	0.00	6,444.44	425.80	6,870.24
3133EEFA3	AGCY BULET	FFCB 0.720 12/15/16	14,840.00	12,600.00	25,200.00	0.00	2,240.00	874.58	13,474.58
CD-7917	CD	Comerica Bk CD 0.800 03/02/17	3,190.92	10,136.17	10,019.55	0.00	3,307.54	0.00	10,136.17
3133EFJM0	AGCY CALL	FFCB 0.930 04/13/18	0.00	15,758.33	0.00	(4,391.67)	20,150.00	1,336.60	17,094.93
3134G7P54	AGCY CALL	FHLMC 1.200 10/29/18	0.00	20,333.34	0.00	(333.33)	20,666.67	56.00	20,389.34
Total for Pooled Funds			60,978.23	111,196.26	106,804.80	(4,725.00)	70,094.69	7,992.17	119,188.43
Total for Town of Addison									
Total for Town of Addison			60,978.23	111,196.26	106,804.80	(4,725.00)	70,094.69	7,992.17	119,188.43

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
Pooled Funds															
Calls															
10/18/15	10/19/15	3133EDK84	AGCY CALL	FFCB	0.390	04/25/16	10/19/15	2,000,000.00	100.000	2,000,000.00	3,770.00	2,003,770.00		0.440	0.390
Total for: Calls								2,000,000.00		2,000,000.00	3,770.00	2,003,770.00		0.440	0.390
Maturities															
10/26/15	10/26/15	31398A4M1	AGCY BULET	FNMA	1.625	10/26/15		4,000,000.00	100.000	4,000,000.00	0.00	4,000,000.00		0.394	
12/10/15	12/10/15	36959JZA4	CP - DISC	GE Capital Corp		12/10/15		5,000,000.00	100.000	5,000,000.00	0.00	5,000,000.00		0.391	
Total for: Maturities								9,000,000.00		9,000,000.00	0.00	9,000,000.00		0.392	
Purchases															
10/29/15	11/03/15	3133EFMW4	AGCY BULET	FFCB	0.400	11/03/16		10,000,000.00	99.974	9,997,354.00	0.00	9,997,354.00		0.427	0.427
10/29/15	10/30/15	3133EFJM0	AGCY CALL	FFCB	0.930	04/13/18	01/13/16	10,000,000.00	99.805	9,980,500.00	4,391.67	9,984,891.67		1.011	1.011
10/29/15	10/30/15	3134G7P54	AGCY CALL	FHLMC	1.200	10/29/18	01/29/16	10,000,000.00	99.990	9,999,000.00	333.33	9,999,333.33		1.203	1.203
10/29/15	10/30/15	46640PGR8	CP - DISC	J.P.Morgan Sec		07/25/16		4,000,000.00	99.514	3,980,572.22	0.00	3,980,572.22		0.653	0.653
Total for: Purchases								34,000,000.00		33,957,426.22	4,725.00	33,962,151.22		0.853	0.853
Income Payments															
10/02/15	10/02/15	CD-7917	CD	Comerica Bk CD	0.800	03/02/17				0.00	3,300.95	3,300.95			
10/04/15	10/06/15	CD-7123	CD	Comerica Bk CD	0.710	09/06/16				0.00	5,877.18	5,877.18			
10/25/15	10/25/15	3133EDK84	AGCY CALL	FFCB	0.390	04/25/16				0.00	3,900.00	3,900.00			
10/25/15	10/25/15	3133EDK84	AGCY CALL	FFCB	0.390	04/25/16				0.00	(3,900.00)	(3,900.00)			
10/26/15	10/26/15	31398A4M1	AGCY BULET	FNMA	1.625	10/26/15				0.00	32,500.00	32,500.00			
10/30/15	10/30/15	CD-3820-1	CD	Green Bk CD	0.448	01/30/16				0.00	5,646.03	5,646.03			
11/02/15	11/02/15	CD-7917	CD	Comerica Bk CD	0.800	03/02/17				0.00	3,413.23	3,413.23			
11/04/15	11/06/15	CD-7123	CD	Comerica Bk CD	0.710	09/06/16				0.00	6,076.64	6,076.64			
12/02/15	12/02/15	CD-7917	CD	Comerica Bk CD	0.800	03/02/17				0.00	3,305.37	3,305.37			
12/04/15	12/06/15	CD-7123	CD	Comerica Bk CD	0.710	09/06/16				0.00	5,884.16	5,884.16			
12/15/15	12/15/15	3133EEFA3	AGCY BULET	FFCB	0.720	12/15/16				0.00	25,200.00	25,200.00			
12/31/15	12/31/15	CD-8583	CD	East West Bk CD	0.395	03/02/16				0.00	4,992.02	4,992.02			

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
Pooled Funds															
Total for: Income Payments										0.00	96,195.58	96,195.58			
Capitalized Interest															
10/02/15	10/02/15	CD-7917	CD	Comerica Bk CD	0.800	03/02/17		3,300.95	100.000	3,300.95	0.00	3,300.95			
10/04/15	10/04/15	CD-7123	CD	Comerica Bk CD	0.710	09/06/16		5,877.18	100.000	5,877.18	0.00	5,877.18			
11/02/15	11/02/15	CD-7917	CD	Comerica Bk CD	0.800	03/02/17		3,413.23	100.000	3,413.23	0.00	3,413.23			
11/04/15	11/04/15	CD-7123	CD	Comerica Bk CD	0.710	09/06/16		6,076.64	100.000	6,076.64	0.00	6,076.64			
12/02/15	12/02/15	CD-7917	CD	Comerica Bk CD	0.800	03/02/17		3,305.37	100.000	3,305.37	0.00	3,305.37			
12/04/15	12/04/15	CD-7123	CD	Comerica Bk CD	0.710	09/06/16		5,884.16	100.000	5,884.16	0.00	5,884.16			
12/31/15	12/31/15	CD-8583	CD	East West Bk CD	0.395	03/02/16		4,992.02	100.000	4,992.02	0.00	4,992.02			
Total for: Capitalized Interest								32,849.55		32,849.55	0.00	32,849.55			

Trade Date	Settle Date	CUSIP	Security Type	Security Description	Coupon	Mty Date	Call Date	Par Value	Price	Principal Amount	Int Purchased / Received	Total Amount	Realized Gain / Loss	YTM	YTW
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Total for All Portfolios

Transaction Type	Quantity	Total Amount	Realized G/L	YTM	YTW
Total Calls	2,000,000.00	2,003,770.00		0.440	0.390
Total Maturities	9,000,000.00	9,000,000.00		0.392	
Total Purchases	34,000,000.00	33,962,151.22		0.853	0.853
Total Income Payments	0.00	96,195.58			
Total Capitalized Interest	32,849.55	32,849.55			

CUSIP	Settle Date	Security Type	Security Description	Next Call Date	Purchase Qty	Orig Price	Original Cost	Amrt/Accr for Period	Total Amrt/Accr Since Purch	Remaining Disc / Prem	Book Value
Pooled Funds											
31398A4M1	10/07/13	AGCY BULET	FNMA 1.625 10/26/15		0.00	102.515	0.00	(3,413.76)	0.00	0.00	0.00
36959JZA4	03/17/15	CP - DISC	GE Capital Corp 0.000 12/10/15		0.00	99.710	0.00	3,791.65	0.00	0.00	0.00
CD-3820-1	01/30/15	CD	Green Bk CD 0.448 01/30/16		5,000,000.00	100.000	5,000,000.00	0.00	0.00	0.00	5,000,000.00
CD-8583	03/02/15	CD	East West Bk CD 0.395 03/02/16		5,016,530.57	100.000	5,016,530.57	0.00	0.00	0.00	5,016,530.57
3133EDK84	04/25/14	AGCY CALL	FFCB 0.390 04/25/16		0.00	99.900	0.00	568.40	0.00	0.00	0.00
46640PGR8	10/30/15	CP - DISC	J.P.Morgan Sec 0.000 07/25/16		4,000,000.00	99.514	3,980,572.22	4,550.02	4,550.02	14,877.76	3,985,122.24
3133EEQG8	02/27/15	AGCY BULET	FFCB 0.550 08/17/16		4,000,000.00	100.029	4,001,160.00	(197.12)	(664.04)	(495.96)	4,000,495.96
CD-7123	09/04/14	CD	Comerica Bk CD 0.710 09/06/16		10,089,069.46	100.000	10,089,069.46	0.00	0.00	0.00	10,089,069.46
3133EFMW4	11/03/15	AGCY BULET	FFCB 0.400 11/03/16		10,000,000.00	99.974	9,997,354.00	425.80	425.80	2,220.20	9,997,779.80
3133EEFA3	12/23/14	AGCY BULET	FFCB 0.720 12/15/16		7,000,000.00	99.901	6,993,070.00	874.58	3,569.93	3,360.07	6,996,639.93
CD-7917	03/02/15	CD	Comerica Bk CD 0.800 03/02/17		5,030,217.84	100.000	5,030,217.84	0.00	0.00	0.00	5,030,217.84
3133EFJM0	10/30/15	AGCY CALL	FFCB 0.930 04/13/18	01/13/16	10,000,000.00	99.805	9,980,500.00	1,336.60	1,336.60	18,163.40	9,981,836.60
3134G7P54	10/30/15	AGCY CALL	FHLMC 1.200 10/29/18	01/29/16	10,000,000.00	99.990	9,999,000.00	56.00	56.00	944.00	9,999,056.00
Total for Pooled Funds					70,135,817.87		70,087,474.09	7,992.17	9,274.31	39,069.47	70,096,748.40
Total for Town of Addison					70,135,817.87		70,087,474.09	7,992.17	9,274.31	39,069.47	70,096,748.40

CUSIP	Security Type	Security Description	Pay Date	Interest	Principal	Total Amount
Pooled Funds						
CD-7917	CD	Comerica Bk CD 0.800 03/02/17	01/02/16	3,351.27	0.00	3,351.27
CD-7123	CD	Comerica Bk CD 0.710 09/06/16	01/06/16	5,965.88	0.00	5,965.88
CD-3820-1	CD	Green Bk CD 0.448 01/30/16	01/30/16	5,600.00	5,000,000.00	5,005,600.00
CD-7917	CD	Comerica Bk CD 0.800 03/02/17	02/02/16	3,351.27	0.00	3,351.27
CD-7123	CD	Comerica Bk CD 0.710 09/06/16	02/06/16	5,965.88	0.00	5,965.88
3133EEQG8	AGCY BULET	FFCB 0.550 08/17/16	02/17/16	11,000.00	0.00	11,000.00
CD-7917	CD	Comerica Bk CD 0.800 03/02/17	03/02/16	3,351.27	0.00	3,351.27
CD-8583	CD	East West Bk CD 0.395 03/02/16	03/02/16	3,353.34	5,011,538.55	5,014,891.89
CD-7123	CD	Comerica Bk CD 0.710 09/06/16	03/06/16	5,965.88	0.00	5,965.88
CD-7917	CD	Comerica Bk CD 0.800 03/02/17	04/02/16	3,351.27	0.00	3,351.27
CD-7123	CD	Comerica Bk CD 0.710 09/06/16	04/06/16	5,965.88	0.00	5,965.88
3133EFJM0	AGCY CALL	FFCB 0.930 04/13/18	04/13/16	46,500.00	0.00	46,500.00
3134G7P54	AGCY CALL	FHLMC 1.200 10/29/18	04/29/16	60,000.00	0.00	60,000.00
CD-7917	CD	Comerica Bk CD 0.800 03/02/17	05/02/16	3,351.27	0.00	3,351.27
3133EFMW4	AGCY BULET	FFCB 0.400 11/03/16	05/03/16	20,000.00	0.00	20,000.00
CD-7123	CD	Comerica Bk CD 0.710 09/06/16	05/06/16	5,965.88	0.00	5,965.88
CD-7917	CD	Comerica Bk CD 0.800 03/02/17	06/02/16	3,351.27	0.00	3,351.27
CD-7123	CD	Comerica Bk CD 0.710 09/06/16	06/06/16	5,965.88	0.00	5,965.88
3133EEFA3	AGCY BULET	FFCB 0.720 12/15/16	06/15/16	25,200.00	0.00	25,200.00
Total for Pooled Funds				227,556.24	10,011,538.55	10,239,094.79

CUSIP	Security Type	Security Description	Pay Date	Interest	Principal	Total Amount
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Total for All Portfolios

January 2016	14,917.15	5,000,000.00	5,014,917.15
February 2016	20,317.15	0.00	20,317.15
March 2016	12,670.49	5,011,538.55	5,024,209.04
April 2016	115,817.15	0.00	115,817.15
May 2016	29,317.15	0.00	29,317.15
June 2016	34,517.15	0.00	34,517.15
Total Projected Cash Flows for Town of Addison			
	227,556.24	10,011,538.55	10,239,094.79

AI-1536

20.

Work Session and Regular Meeting

Meeting Date: 02/23/2016

Department: Information Technology

AGENDA CAPTION:

Present And Discuss The **Consolidated Dispatch And The Simulcast Radio System Projects.**

BACKGROUND:

In the first quarter of 2014, the Town of Addison started simultaneously on the Joint Dispatch and Simulcast Radio projects. The Council had received an update regarding this projects in June 2015. The purpose of the update is to inform the Council on the progress of these projects.

RECOMMENDATION:

Information only, no action required.

Work Session and Regular Meeting**Meeting Date:** 02/23/2016**Department:** Police

AGENDA CAPTION:Present And Discuss **Policing Protocols For Underperforming Hotels.****BACKGROUND:**

The purpose of this memorandum is to review the enforcement practices of the Addison Police Department since May 2015; specifically, criminal activity at various hotels within the Town.

For many years the department focused on education and crime prevention as a means to mitigate criminal activity at our hotels and businesses. The overall efficacy of these efforts are largely unknown as no statistical or performance measures were used to gauge success or failure. Over time, the lack of targeted enforcement, in conjunction with our educational efforts, facilitated an environment where criminal elements felt free to act with impunity and set up permanent roots in the community. As Acting Chief, and now Chief of Police, Paul Spencer directed our Hotel Business Retention Unit, Criminal Investigation Section and patrol officers, to begin targeting these criminal elements. The Addison Police Department also wanted to make it very clear Addison was not a place they could operate without fear of apprehension and prosecution.

Based on anecdotal feedback from police supervisors within these sections, Police staff believes we are beginning to accomplish the goal of reversing criminal activity at targeted hotels and sending the message Addison is not the place you want to operate if you're a criminal. Based on recent arrests, we also anticipate seeing a reduction in burglaries and property thefts within the residential areas. It should be noted most of our targeted hotels are cooperating with these efforts and welcome our assistance within their businesses.

Over the next month, Police records staff will conduct an analysis of our crime statistics of our community, including hotels. Similar to the analysis completed in 2013, we will analyze all the hotels and provide an update on how the numbers compare to the previous report. We will also provide data on how our crime statistics compare to May 2015 when we changed our enforcement behavior.

As always, the Addison Police Department will take a balanced approach of education and enforcement to reduce crime and make our business community successful.

RECOMMENDATION:Information only, no action needed.

AI-1537

22.

Work Session and Regular Meeting

Meeting Date: 02/23/2016

Department: Police

AGENDA CAPTION:

Present And Discuss The **Town of Addison Police Department's 2015 Racial Profiling Report.**

BACKGROUND:

Article 2.132 (7) of the Texas Code of Criminal Procedure requires the annual reporting to the local governing body of data collected on the race or ethnicity of individuals stopped and issued citations or arrested for traffic violations and whether or not those individuals were searched. The department submitted its data to the University of North Texas, Professional Development Institute, for analysis and review to assist the Addison Police Department in reviewing the data. The report presented verifies the Addison Police Department is in full compliance with the state racial profiling statute regarding prevention policies, data collection and reporting.

RECOMMENDATION:

Information only, no action required.

Attachments

Racial Profiling Report 2015



ADDISON POLICE DEPARTMENT

2015

RACIAL PROFILING ANALYSIS

PREPARED BY:

Eric J. Fritsch, Ph.D.
Chad R. Trulson, Ph.D.

Executive Summary

Article 2.132 (7) of the Texas Code of Criminal Procedure requires the annual reporting to the local governing body of data collected on the race or ethnicity of individuals stopped and issued citations or arrested for traffic violations and whether or not those individuals were searched. Since the law provides no clear instruction to a governing body on how to review such data, the Addison Police Department requested this analysis and review to assist the City Council in reviewing the data.

The analysis of material and data from the Addison Police Department revealed the following:

- **A COMPREHENSIVE REVIEW OF THE ADDISON POLICE DEPARTMENT REGULATIONS, SPECIFICALLY DEPARTMENTAL POLICY TBBP: 2.01.1 Sections 326-334 OUTLINING THE DEPARTMENT'S POLICY CONCERNING RACIAL PROFILING, SHOWS THAT THE ADDISON POLICE DEPARTMENT IS FULLY IN COMPLIANCE WITH ARTICLE 2.132 OF THE TEXAS CODE OF CRIMINAL PROCEDURE.**
- **A REVIEW OF THE INFORMATION PRESENTED AND SUPPORTING DOCUMENTATION REVEALS THAT THE ADDISON POLICE DEPARTMENT IS FULLY IN COMPLIANCE WITH TEXAS LAW ON TRAINING AND EDUCATION REGARDING RACIAL PROFILING.**
- **A REVIEW OF THE DOCUMENTATION PRODUCED BY THE DEPARTMENT IN BOTH PRINT AND ELECTRONIC FORM REVEALS THAT THE DEPARTMENT IS FULLY IN COMPLIANCE WITH APPLICABLE TEXAS LAW ON THE RACIAL PROFILING COMPLAINT PROCESS AND PUBLIC EDUCATION ABOUT THE COMPLAINT PROCESS.**
- **ANALYSIS OF THE DATA REVEALS THAT THE DEPARTMENT IS FULLY IN COMPLIANCE WITH APPLICABLE TEXAS LAW ON THE COLLECTION OF RACIAL PROFILING DATA.**
- **THE ANALYSIS OF STATISTICAL INFORMATION FROM ADDISON POLICE DEPARTMENT REVEALS THAT THERE ARE NO METHODOLOGICALLY CONCLUSIVE INDICATIONS OF SYSTEMIC RACIAL PROFILING BY THE DEPARTMENT.**
- **THE ADDISON POLICE DEPARTMENT IS FULLY IN COMPLIANCE WITH APPLICABLE TEXAS LAW CONCERNING THE PROHIBITION OF RACIAL PROFILING.**
- **THE ADDISON POLICE DEPARTMENT IS FULLY IN COMPLIANCE WITH APPLICABLE TEXAS LAW CONCERNING THE REPORTING OF INFORMATION TO TCOLE.**

Introduction

This report details an analysis of the Addison Police Department's policies, training, and statistical information on racial profiling for the year 2015. This report has been prepared to specifically comply with Article 2.132 of the Texas Code of Criminal Procedure (CCP) regarding the compilation and analysis of racial profiling data. Specifically, the analysis will address Articles 2.131 – 2.135 of the CCP and make a determination of the level of compliance with those articles by the Addison Police Department in 2015. The full copies of the applicable laws and regulations pertaining to this report are contained in Appendix A.

This report is divided into six analytical sections: Addison Police Department's policy on racial profiling; Addison Police Department's training and education on racial profiling; Addison Police Department's complaint process and public education on racial profiling; analysis of statistical data on racial profiling; analysis of Addison Police Department's compliance with applicable laws on racial profiling; and a final section which includes completed data and information reporting forms required to be sent to TCOLE beginning in 2011.

For the purposes of this report and analysis, the following definition of racial profiling is used: racial profiling means a law enforcement-initiated action based on an individual's race, ethnicity, or national origin rather than on the individual's behavior or on information identifying the individual as having engaged in criminal activity (Texas CCP Article 3.05).

Addison Police Department Policy on Racial Profiling

A review of Addison Police Department Policy TBBP: 2.01.1 Sections 326-334 revealed that the department has adopted policies to be in compliance with Article 2.132 of the Texas CCP (see Appendix B). There are seven specific requirements mandated by Article 2.132 that a law enforcement agency must address. All seven are clearly covered in Departmental Policy TBBP: 2.01.1 Sections 326-334. Addison Police Department regulations provide clear direction that any form of racial profiling is prohibited and that officers found engaging in inappropriate profiling may be disciplined up to and including dismissal. The regulations also provide a very clear statement of the agency's philosophy regarding equal treatment of all persons regardless of race or ethnicity. Appendix C lists the applicable statute and corresponding Addison Police Department regulation.

A COMPREHENSIVE REVIEW OF ADDISON POLICE DEPARTMENT POLICY TBBP: 2.01.1 Sections 326-334 SHOWS THAT THE ADDISON POLICE DEPARTMENT IS FULLY IN COMPLIANCE WITH ARTICLE 2.132 OF THE TEXAS CODE OF CRIMINAL PROCEDURE.

Addison Police Department Training and Education on Racial Profiling

Texas Occupation Code § 1701.253 and § 1701.402 require that curriculum be established and training certificates issued on racial profiling for all Texas Peace officers. Documentation provided by Addison Police Department reveals that racial profiling training and certification was provided to all officers requiring such training.

A REVIEW OF THE INFORMATION PRESENTED AND SUPPORTING DOCUMENTATION REVEALS THAT THE ADDISON POLICE DEPARTMENT IS FULLY IN COMPLIANCE WITH TEXAS LAW ON TRAINING AND EDUCATION REGARDING RACIAL PROFILING.

Addison Police Department Complaint Process and Public Education on Racial Profiling

Article 2.132 §(b)3-4 of the Texas Code of Criminal Procedure requires that law enforcement agencies implement a complaint process on racial profiling and that the agency provide public education on the complaint process. Addison Police Department Policy TBBP: 2.01.1 Sections 328.06 and 332.01-04 cover this requirement. Moreover, the department maintains an easily accessible website address concerning racial profiling education and information on the racial profiling complaint process (http://addisontexas.net/index.php?section=police-department_resources-links) including how to file a complaint.

A REVIEW OF THE DOCUMENTATION PRODUCED BY THE DEPARTMENT IN BOTH PRINT AND ELECTRONIC FORM REVEALS THAT THE DEPARTMENT IS FULLY IN COMPLIANCE WITH APPLICABLE TEXAS LAW ON THE RACIAL PROFILING COMPLAINT PROCESS AND PUBLIC EDUCATION ABOUT THE COMPLAINT PROCESS.

Addison Police Department Statistical Data on Racial Profiling

Article 2.132(b) 6 requires that law enforcement agencies collect statistical information on traffic stops in which a citation is issued and arrests with specific information on the race of the person cited. In addition, information concerning searches of persons and whether or not the search was based on consent is also required to be collected. Addison Police Department submitted statistical information on all citations in 2015 and accompanying information on the race of the person cited. Accompanying this data was the relevant information on searches.

ANALYSIS OF THE DATA REVEALS THAT THE DEPARTMENT IS FULLY IN COMPLIANCE WITH APPLICABLE TEXAS LAW ON THE COLLECTION OF RACIAL PROFILING DATA.

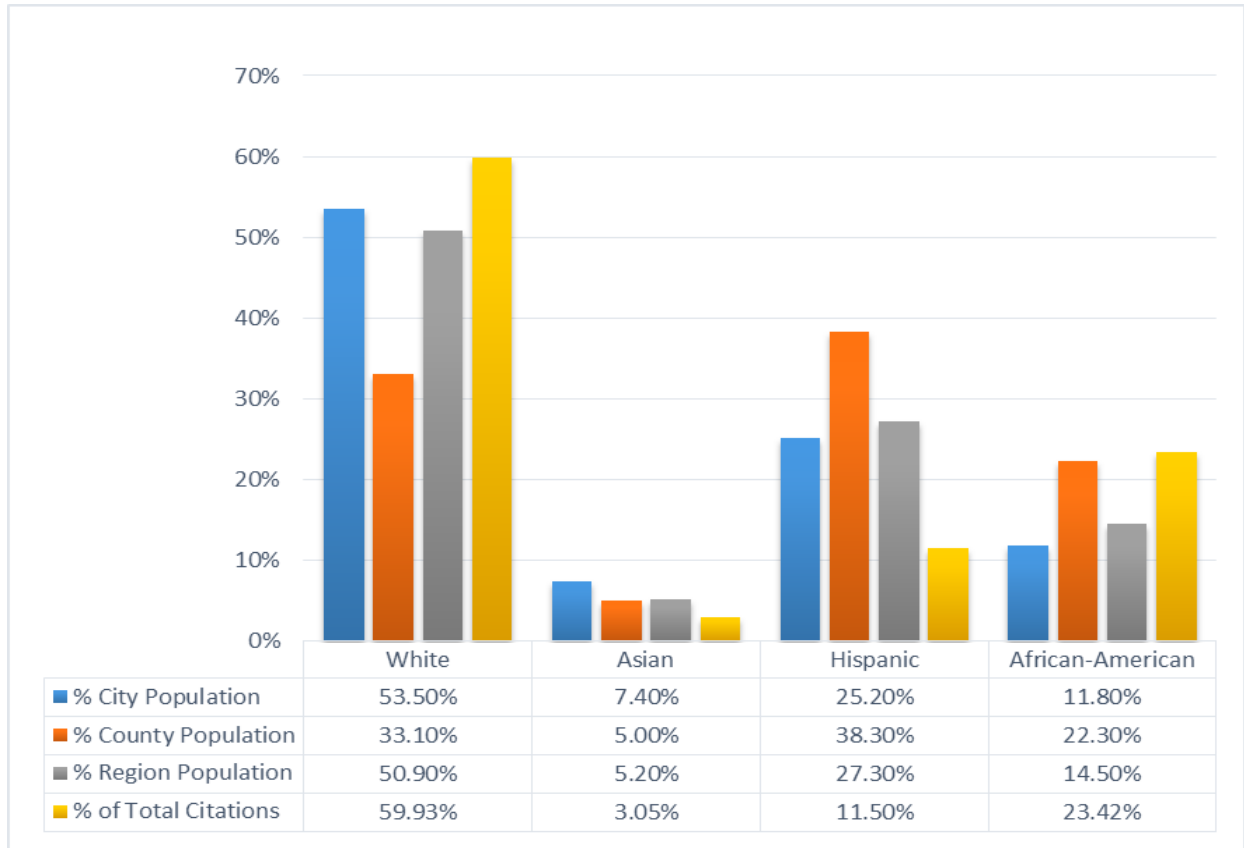
Analysis of the Data

The first chart depicts the percentages of people cited by race among the total 3,539 traffic contacts that resulted in an action (citation, arrest, or both) in 2015.¹ *White drivers* constituted 59.93 percent of all drivers cited, whereas Whites constitute 53.50 percent of the city population, 33.10 percent of the county population, and 50.90 percent of the region population.² *African-American drivers* constituted 23.42 percent of all drivers cited, whereas African-Americans constituted 11.80 percent of the city population, 22.30 percent of the county population, and

¹ Among the total 3,539 traffic contacts, 3,339 resulted in a citation, 194 resulted in arrest, and 6 resulted in both arrest and a citation. See the TCOLE forms near the end of this report.

² City and County populations were derived from the 2010 Census of the U.S. Census Bureau. Regional population figures were derived from 2010 Census data compiled and published by the North Central Texas Council of Governments. "Regional" population figures are defined as the 16 county Dallas-Ft. Worth region and include the following counties: Collin, Dallas, Denton, Ellis, Erath, Hood, Hunt, Johnson, Kaufman, Navarro, Palo Pinto, Parker, Rockwall, Somervell, Tarrant, and Wise.

14.50 percent of the region population. *Hispanic drivers* constituted 11.50 percent of all drivers cited, whereas Hispanics constituted 25.20 percent of the city population, 38.30 percent of the county population, and 27.30 percent of the region population. *Asian drivers* constituted 3.05 percent of all drivers cited, whereas Asians constituted 7.40 percent of the city population, 5.00 percent of the county population, and 5.20 percent of the region population.



The chart shows that White drivers are cited at rates higher than the percentage of Whites found in the city, county and regional populations. African-American drivers are cited at rates higher than the percentage of African-Americans found in the city, county and regional populations. Hispanic drivers are cited at rates lower than the percentage of Hispanics found in the city, county, and regional populations. Asian drivers are cited at rates lower than the percentage of Asians in the city, county, and regional populations.

Easy determinations regarding whether or not Addison police officers have “racially profiled” a given motorist are impossible given the nature of the data that has been collected and presented for this report. The law dictates that police agencies compile aggregate-level data regarding the *rates* at which agencies *collectively* stop motorists in terms of their race/ethnicity. These aggregated data are to be subsequently analyzed in order to determine whether or not *individual* officers are “racially profiling” motorists.

This methodological error, commonly referred to as the “ecological fallacy,” defines the dangers involved in making assertions about individual officer decisions based on the examination of aggregate incident level data. In short, one cannot “prove” that an *individual* officer has “racially

profiled" any *individual* motorist based on the rate at which a department stops any given *group* of motorists. This kind of determination necessarily requires an examination of data at the individual officer level for a more detailed analysis of individual officer decision-making. Unfortunately, the law does not currently require the collection of this type of data, resulting in a considerable amount of conjecture as to the substantive meaning of aggregate level disparities.

Additional interpretation problems remain in regards to the specific measurement of racial "profiling" as defined by Texas state code. For example, officers are currently forced to make subjective determinations regarding an individual's race based on his or her personal observations because the Texas Department of Public Safety does not provide an objectively-based determination of an individual's race/ethnicity on the Texas driver's license. The absence of any verifiable race/ethnicity data on the driver's license is especially troubling given the racial diversity within the North Texas region as a whole, and the large numbers of citizens who are of Hispanic and/or mixed racial decent. The validity of any racial/ethnic disparities discovered in the aggregate level data becomes threatened in direct proportion to the number of subjective "guesses" officers are forced to make when trying to determine an individual's racial/ethnic background.

In addition, the data collected for the current report does not allow for an analysis that separates (or disaggregates) the discretionary decisions of officers to stop a motorist from those that are largely non-discretionary. For example, non-discretionary stops of motorists based on the discovery of outstanding warrants should not be analyzed in terms of whether or not "profiling" has occurred simply because the officer who has stopped a motorist as a result of the discovery of an outstanding warrant does not *independently* make the decision to stop, but rather, is required to stop that individual regardless of any determination of race. An officer cannot be determined to be "racially profiling" when organizational rules and state codes compel them to stop regardless of an individual's race/ethnicity. Straightforward aggregate comparisons of stop rates ignore these realities, and fail to distinguish between discretionary and non-discretionary law enforcement actions. In the future, this validity issue could be lessened by the collection of data indicating the initial reason for the traffic stop, whether it be an observed traffic violation, other criminal activity, the existence of an outstanding warrant, or some other reason.

Finally, there has been considerable debate as to what the most appropriate population "base-rate" is in determining whether or not racial/ethnic disparities exist. As the current analysis shows in regards to the use of city, county, and regional population base-rates, the outcome of analyses designed to determine whether or not disparities exist is obviously dependent on which base-rate is used. In addition, population shifts and the changing demographic character of the North Texas region has exacerbated problems associated with determining appropriate base-rates because measures derived exclusively from the U.S. Census can become quickly outdated since they are compiled only once per decade. Related, the determination of valid stop base-rates becomes multiplied if analyses fail to distinguish between residents and non-residents who are stopped, because the existence of significant proportions of non-resident stops will lead to invalid conclusions if racial/ethnic comparisons are made exclusively to resident population figures. This is particularly true in cities such as Addison whose non-resident populations tend to fluctuate significantly during business hours as a result of non-resident commuters. In addition, the population of Addison increases significantly during the evening and nighttime hours as non-residents take advantage of Addison's extensive array of restaurants, bars, and hotels.

In short, the methodological problems outlined above point to the limited utility of using aggregate level comparisons of the rates at which different racial/ethnic groups are cited in order to determine whether or not racial profiling exists within a given jurisdiction.

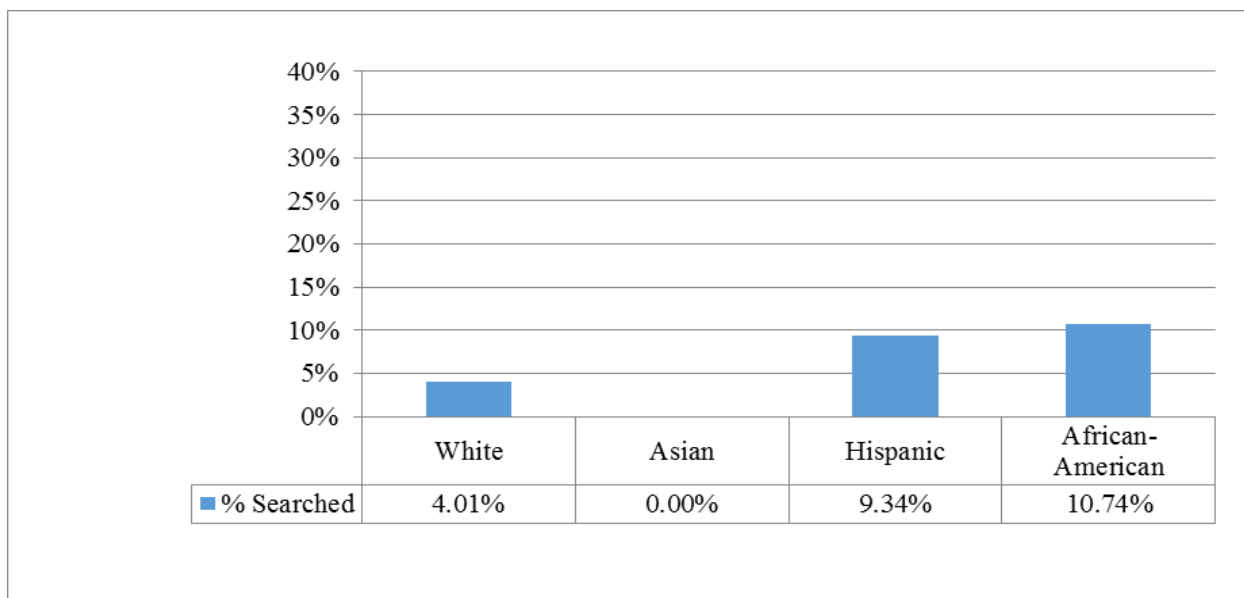
The table below reports the summaries for the total number of persons cited by the Addison Police Department for traffic offenses in 2015. In addition, the table shows the number of cited individuals who granted consent to search and those cited drivers who were arrested pursuant to the stop.

The table shows that roughly 60 percent of all persons cited were White drivers (2,121/3,539 total citations), roughly 23 percent (829) of all persons cited were African-American drivers, and roughly 12 percent (407) of all persons cited were Hispanic drivers. In addition, roughly 40 percent of all drivers searched were White (85/215), roughly 18 percent were Hispanic, and 41 percent were African-American. It is clear that the vast majority of the total number of drivers cited (including White, African-American, and Hispanic groups) were not searched (93 percent) and only about 24 percent of all searches were consent searches (52/215).

Action	White	African-American	Hispanic	Asian	Other	Total
Stops	2,121	829	407	108	74	3,539
Searches	85	89	38	0	3	215
Consent Searches	24	18	8	0	2	52
Arrests	73	86	39	0	2	200

The bar chart below presents the percentage of cited drivers who were searched *within* each racial category. The chart indicates that drivers who were cited were rarely searched across the racial categories. For example, only 4.01 percent of all White drivers who were cited were also searched (85 total searches), 9.34 percent of all Hispanic drivers who were cited were searched (38 total searches), and 10.74 percent of all African-American drivers who were cited were searched (89 total searches). There were no searches of Asian drivers. Further, among the 3,539 stops in 2015, less than 2 percent resulted in a consensual search.

It should be noted that aggregate level comparisons regarding the rates at which drivers are searched by police are subject to some of the same methodological issues as those outlined above regarding analyses of aggregate level stop rates. Of particular concern is the absence of any analyses that separates discretionary searches from non-discretionary searches. For example, searches that are conducted incident to an arrest or as part of a vehicle tow inventory should not be included in analyses designed to examine whether or not racial profiling has occurred because these types of searches are non-discretionary in that the officer is compelled by law or departmental guidelines to conduct the search irrespective of the race of the stopped driver.



Analysis of Racial Profiling Compliance by Addison Police Department

The foregoing analysis shows that the Addison Police Department is fully in compliance with all relevant Texas laws concerning racial profiling, including the existence of a formal policy prohibiting racial profiling by its officers, officer training and educational programs, a formalized complaint process, and the collection of data in compliance with the law. Finally, internal records indicate that during 2015 the department received no complaints that could be categorized as involving some type of racial profiling.

In addition to providing summary reports and analysis of the data collected by the Addison Police Department in 2015, this report also included an extensive presentation of some of the limitations involved in the level of data collection currently required by law and the methodological problems associated with analyzing such data for the Addison Police Department as well as police agencies across Texas. The Addison Police Department should continue its educational and training efforts within the department on racial profiling. Finally, the department should continue to conduct periodic evaluations of individual officers to assess whether or not an officer is engaging in racial profiling. The final section of this report includes newly required TCOLE reporting information by Texas law enforcement organizations.

Addison Police Department TCOLE Reporting Forms



Partial Exemption Racial Profiling Reporting
(Tier 1)

Department Name ADDISON PD
Agency Number 972.450.7100
Chief Administrator Name PAUL SPENCER
Reporting Name _____
Contact Number 972.450.7168
E-mail Address pspencer@addison.tx.gov

Certification to Report 2.132 (Tier 1) – Partial Exemption

Policy Requirements (2.132(b) CCP):

Each law enforcement agency in this state shall adopt a detailed written policy on racial profiling. The policy must:

- (1) clearly define acts constituting racial profiling;
- (2) strictly prohibit peace officers employed by the agency from engaging in racial profiling;
- (3) implement a process by which an individual may file a complaint with the agency if the individual believes that a peace officer employed by the agency has engaged in racial profiling with respect to the individual;
- (4) provide public education relating to the agency's complaint process;
- (5) require appropriate corrective action to be taken against a peace officer employed by the agency who, after an investigation, is shown to have engaged in racial profiling in violation of the agency's policy adopted under this article;
- (6) require collection of information relating to motor vehicle stops in which a citation is issued and to arrests made as a result of those stops, including information relating to:
 - (A) the race or ethnicity of the individual detained;
 - (B) whether a search was conducted and, if so, whether the individual detained consented to the search; and
 - (C) whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual; and
- (7) require the chief administrator of the agency, regardless of whether the administrator is elected, employed, or appointed, to submit an annual report of the information collected under Subdivision (6) to:
 - (A) the Commission on Law Enforcement Officer Standards and Education; and
 - (B) the governing body of each county or municipality served by the agency, if the agency is an agency of a county, municipality, or other political subdivision of the state.

These policies are in
effect

Paul Spencer
Chief Administrator

1.27.16
Date



**Partial Exemption Racial Profiling Reporting
(Tier 1)**

Video and Audio Equipment Exemption

Partial Exemption Claimed by (2.135(a) CCP):



all cars regularly used for motor vehicle stops are equipped with video camera and transmitter-activated equipment and each motor stop is recorded and the recording of the stop is retained for at least 90 days after the stop.

OR



In accordance with 2.135(a)(2) the agency has requested and not received funds to install the recording equipment

I claim this exemption


Chief Administrator

1-27-16
Date

PARTIAL EXEMPTION RACIAL PROFILING REPORTING (TIER 1)

INSTRUCTIONS: Please fill out all boxes. If zero, use 0.

1. Total on lines 4, 11, 14, and 17 must be equal
2. Total on line 20 must equal line 15

AGENCY NAME:

Number of motor vehicle stops (mark only 1 category per vehicle stop):

1. 3339 Citation only
2. 194 Arrest only
3. 6 Both
4. 3539 (Total of 1-3)

Race or Ethnicity (mark only 1 category per vehicle stop):

5. 829 African
6. 108 Asian
7. 2121 Caucasian
8. 407 Hispanic
9. 74 Middle Eastern
10. 0 Native American
11. 3539 (Total of 5-10, must be the same as #4)

Race or Ethnicity known prior to stop?

12. 81 Yes
13. 3458 No
14. 3539 (Total of 12-13, must be the same as #4 and #11)

Search conducted?

15. 215 Yes
16. 33 No
17. 3539 (Total of 15-16, must be the same as #4, #11, and #14 above)

Was search consented?

18. 52 Yes
19. 163 No
20. 215 (Total, must equal #15)



**Partial Exemption Racial Profiling Reporting
(Tier 1)**

Option to submit required data by utilizing agency report

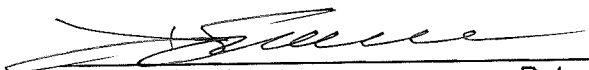
You must submit your report in PDF format

Electronic Submission of data required by 2.132(b)(6) CCP

(6) require collection of information relating to motor vehicle stops in which a citation is issued and to arrests made as a result of those stops, including information relating to:

- (A) the race or ethnicity of the individual detained;
- (B) whether a search was conducted and, if so, whether the individual detained consented to the search; and
- (C) whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual; and

This report meets the above
requirements

 1. 27. 16

Chief Administrator Date

Send entire documents electronically to this website

www.tcleose.state.tx.us

Appendix A

Racial Profiling Statutes and Laws

Art. 3.05. RACIAL PROFILING.

In this code, "racial profiling" means a law enforcement-initiated action based on an individual's race, ethnicity, or national origin rather than on the individual's behavior or on information identifying the individual as having engaged in criminal activity.

Added by Acts 2001, 77th Leg., ch. 947, Sec. 2, eff. Sept. 1, 2001.

Art. 2.131. RACIAL PROFILING PROHIBITED.

A peace officer may not engage in racial profiling.

Added by Acts 2001, 77th Leg., ch. 947, Sec. 1, eff. Sept. 1, 2001.

Art. 2.132. LAW ENFORCEMENT POLICY ON RACIAL PROFILING.

(a) In this article:

(1) "Law enforcement agency" means an agency of the state, or of a county, municipality, or other political subdivision of the state, that employs peace officers who make motor vehicle stops in the routine performance of the officers' official duties.

(2) "Motor vehicle stop" means an occasion in which a peace officer stops a motor vehicle for an alleged violation of a law or ordinance.

(3) "Race or ethnicity" means of a particular descent, including Caucasian, African, Hispanic, Asian, Native American, or Middle Eastern descent.

(b) Each law enforcement agency in this state shall adopt a detailed written policy on racial profiling. The policy must:

(1) clearly define acts constituting racial profiling;

- (2) strictly prohibit peace officers employed by the agency from engaging in racial profiling;
 - (3) implement a process by which an individual may file a complaint with the agency if the individual believes that a peace officer employed by the agency has engaged in racial profiling with respect to the individual;
 - (4) provide public education relating to the agency's complaint process;
 - (5) require appropriate corrective action to be taken against a peace officer employed by the agency who, after an investigation, is shown to have engaged in racial profiling in violation of the agency's policy adopted under this article;
 - (6) require collection of information relating to motor vehicle stops in which a citation is issued and to arrests made as a result of those stops, including information relating to:
 - (A) the race or ethnicity of the individual detained;
 - (B) whether a search was conducted and, if so, whether the individual detained consented to the search; and
 - (C) whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual; and
 - (7) require the chief administrator of the agency, regardless of whether the administrator is elected, employed, or appointed, to submit an annual report of the information collected under Subdivision (6) to:
 - (A) the Commission on Law Enforcement Officer Standards and Education; and
 - (B) the governing body of each county or municipality served by the agency, if the agency is an agency of a county, municipality, or other political subdivision of the state.
- (c) The data collected as a result of the reporting requirements of this article shall not constitute prima facie evidence of racial profiling.
- (d) On adoption of a policy under Subsection (b), a law enforcement agency shall examine the feasibility of installing video camera and transmitter-activated equipment in each agency law enforcement motor vehicle regularly used to make motor vehicle stops and transmitter-activated equipment in each agency law enforcement motorcycle regularly used to make motor vehicle stops. If a law enforcement agency installs video or audio equipment as provided by this

subsection, the policy adopted by the agency under Subsection (b) must include standards for reviewing video and audio documentation.

(e) A report required under Subsection (b)(7) may not include identifying information about a peace officer who makes a motor vehicle stop or about an individual who is stopped or arrested by a peace officer. This subsection does not affect the collection of information as required by a policy under Subsection (b)(6).

(f) On the commencement of an investigation by a law enforcement agency of a complaint described by Subsection (b)(3) in which a video or audio recording of the occurrence on which the complaint is based was made, the agency shall promptly provide a copy of the recording to the peace officer who is the subject of the complaint on written request by the officer.

(g) On a finding by the Commission on Law Enforcement Officer Standards and Education that the chief administrator of a law enforcement agency intentionally failed to submit a report required under Subsection (b)(7), the commission shall begin disciplinary procedures against the chief administrator.

Added by Acts 2001, 77th Leg., ch. 947, Sec. 1, eff. Sept. 1, 2001.

Amended by: Acts 2009, 81st Leg., R.S., Ch. 1172, Sec. 25, eff. September 1, 2009.

Art. 2.133. REPORTS REQUIRED FOR MOTOR VEHICLE STOPS.

(a) In this article, "race or ethnicity" has the meaning assigned by Article 2.132(a).

(b) A peace officer who stops a motor vehicle for an alleged violation of a law or ordinance shall report to the law enforcement agency that employs the officer information relating to the stop, including:

(1) a physical description of any person operating the motor vehicle who is detained as a result of the stop, including:

(A) the person's gender; and

(B) the person's race or ethnicity, as stated by the person or, if the person does not state the person's race or ethnicity, as determined by the officer to the best of the officer's ability;

(2) the initial reason for the stop;

- (3) whether the officer conducted a search as a result of the stop and, if so, whether the person detained consented to the search;
- (4) whether any contraband or other evidence was discovered in the course of the search and a description of the contraband or evidence;
- (5) the reason for the search, including whether:
 - (A) any contraband or other evidence was in plain view;
 - (B) any probable cause or reasonable suspicion existed to perform the search; or
 - (C) the search was performed as a result of the towing of the motor vehicle or the arrest of any person in the motor vehicle;
- (6) whether the officer made an arrest as a result of the stop or the search, including a statement of whether the arrest was based on a violation of the Penal Code, a violation of a traffic law or ordinance, or an outstanding warrant and a statement of the offense charged;
- (7) the street address or approximate location of the stop; and
- (8) whether the officer issued a written warning or a citation as a result of the stop.

Added by Acts 2001, 77th Leg., ch. 947, Sec. 1, eff. Sept. 1, 2001.

Amended by: Acts 2009, 81st Leg., R.S., Ch. 1172, Sec. 26, eff. September 1, 2009.

Art. 2.134. COMPILATION AND ANALYSIS OF INFORMATION COLLECTED.

(a) In this article:

(1) "Motor vehicle stop" has the meaning assigned by Article 2.132(a).

(2) "Race or ethnicity" has the meaning assigned by Article 2.132(a).

(b) A law enforcement agency shall compile and analyze the information contained in each report received by the agency under Article 2.133. Not later than March 1 of each year, each law enforcement agency shall submit a report containing the incident-based data compiled during the previous calendar year to the Commission on Law Enforcement Officer Standards and Education

and, if the law enforcement agency is a local law enforcement agency, to the governing body of each county or municipality served by the agency.

(c) A report required under Subsection (b) must be submitted by the chief administrator of the law enforcement agency, regardless of whether the administrator is elected, employed, or appointed, and must include:

(1) a comparative analysis of the information compiled under Article 2.133 to:

- (A) evaluate and compare the number of motor vehicle stops, within the applicable jurisdiction, of persons who are recognized as racial or ethnic minorities and persons who are not recognized as racial or ethnic minorities; and
- (B) examine the disposition of motor vehicle stops made by officers employed by the agency, categorized according to the race or ethnicity of the affected persons, as appropriate, including any searches resulting from stops within the applicable jurisdiction; and

(2) information relating to each complaint filed with the agency alleging that a peace officer employed by the agency has engaged in racial profiling.

(d) A report required under Subsection (b) may not include identifying information about a peace officer who makes a motor vehicle stop or about an individual who is stopped or arrested by a peace officer. This subsection does not affect the reporting of information required under Article 2.133(b)(1).

(e) The Commission on Law Enforcement Officer Standards and Education, in accordance with Section 1701.162, Occupations Code, shall develop guidelines for compiling and reporting information as required by this article.

(f) The data collected as a result of the reporting requirements of this article shall not constitute prima facie evidence of racial profiling.

(g) On a finding by the Commission on Law Enforcement Officer Standards and Education that the chief administrator of a law enforcement agency intentionally failed to submit a report required under Subsection (b), the commission shall begin disciplinary procedures against the chief administrator.

Added by Acts 2001, 77th Leg., ch. 947, Sec. 1, eff. Sept. 1, 2001.

Amended by: Acts 2009, 81st Leg., R.S., Ch. [1172](#), Sec. 27, eff. September 1, 2009.

Art. 2.135. PARTIAL EXEMPTION FOR AGENCIES USING VIDEO AND AUDIO EQUIPMENT.

(a) A peace officer is exempt from the reporting requirement under Article 2.133 and the chief administrator of a law enforcement agency, regardless of whether the administrator is elected, employed, or appointed, is exempt from the compilation, analysis, and reporting requirements under Article 2.134 if:

(1) during the calendar year preceding the date that a report under Article 2.134 is required to be submitted:

(A) each law enforcement motor vehicle regularly used by an officer employed by the agency to make motor vehicle stops is equipped with video camera and transmitter-activated equipment and each law enforcement motorcycle regularly used to make motor vehicle stops is equipped with transmitter-activated equipment; and

(B) each motor vehicle stop made by an officer employed by the agency that is capable of being recorded by video and audio or audio equipment, as appropriate, is recorded by using the equipment; or

(2) the governing body of the county or municipality served by the law enforcement agency, in conjunction with the law enforcement agency, certifies to the Department of Public Safety, not later than the date specified by rule by the department, that the law enforcement agency needs funds or video and audio equipment for the purpose of installing video and audio equipment as described by Subsection (a)(1)(A) and the agency does not receive from the state funds or video and audio equipment sufficient, as determined by the department, for the agency to accomplish that purpose.

(b) Except as otherwise provided by this subsection, a law enforcement agency that is exempt from the requirements under Article 2.134 shall retain the video and audio or audio documentation of each motor vehicle stop for at least 90 days after the date of the stop. If a complaint is filed with the law enforcement agency alleging that a peace officer employed by the agency has engaged in racial profiling with respect to a motor vehicle stop, the agency shall retain the video and audio or audio record of the stop until final disposition of the complaint.

(c) This article does not affect the collection or reporting requirements under Article 2.132.

(d) In this article, "motor vehicle stop" has the meaning assigned by Article 2.132(a).

Added by Acts 2001, 77th Leg., ch. 947, Sec. 1, eff. Sept. 1, 2001.

Amended by: Acts 2009, 81st Leg., R.S., Ch. 1172, Sec. 28, eff. September 1, 2009.

Art. 2.136. LIABILITY.

A peace officer is not liable for damages arising from an act relating to the collection or reporting of information as required by Article 2.133 or under a policy adopted under Article 2.132.

Added by Acts 2001, 77th Leg., ch. 947, Sec. 1, eff. Sept. 1, 2001.

Art. 2.137. PROVISION OF FUNDING OR EQUIPMENT.

(a) The Department of Public Safety shall adopt rules for providing funds or video and audio equipment to law enforcement agencies for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A), including specifying criteria to prioritize funding or equipment provided to law enforcement agencies. The criteria may include consideration of tax effort, financial hardship, available revenue, and budget surpluses. The criteria must give priority to:

(1) law enforcement agencies that employ peace officers whose primary duty is traffic enforcement;

(2) smaller jurisdictions; and

(3) municipal and county law enforcement agencies.

(b) The Department of Public Safety shall collaborate with an institution of higher education to identify law enforcement agencies that need funds or video and audio equipment for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A). The collaboration may include the use of a survey to assist in developing criteria to prioritize funding or equipment provided to law enforcement agencies.

(c) To receive funds or video and audio equipment from the state for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A), the governing body of a county or municipality, in conjunction with the law enforcement agency serving the county or municipality, shall certify to the Department of Public Safety that the law enforcement agency needs funds or video and audio equipment for that purpose.

(d) On receipt of funds or video and audio equipment from the state for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A), the governing body of a county or municipality, in conjunction with the law enforcement agency serving the county or municipality, shall certify to the Department of Public Safety that the law enforcement agency has installed video and audio equipment as described by Article 2.135(a)(1)(A) and is using the equipment as required by Article 2.135(a)(1).

Added by Acts 2001, 77th Leg., ch. 947, Sec. 1, eff. Sept. 1, 2001.

Art. 2.138. RULES.

The Department of Public Safety may adopt rules to implement Articles 2.131-2.137.

Added by Acts 2001, 77th Leg., ch. 947, Sec. 1, eff. Sept. 1, 2001.

Art. 2.1385. CIVIL PENALTY.

(a) If the chief administrator of a local law enforcement agency intentionally fails to submit the incident-based data as required by Article 2.134, the agency is liable to the state for a civil penalty in the amount of \$1,000 for each violation. The attorney general may sue to collect a civil penalty under this subsection.

(b) From money appropriated to the agency for the administration of the agency, the executive director of a state law enforcement agency that intentionally fails to submit the incident-based data as required by Article 2.134 shall remit to the comptroller the amount of \$1,000 for each violation.

(c) Money collected under this article shall be deposited in the state treasury to the credit of the general revenue fund.

Added by Acts 2009, 81st Leg., R.S., Ch. 1172, Sec. 29, eff. September 1, 2009.

Appendix B

Addison PD Racial Profiling Policy

326. Racial Profiling and Bias Reduction (TBBP: 2.01.1)

326.01 It is the policy of this department to police in a proactive manner and to aggressively investigate suspected violations of law. Officers shall actively enforce Town ordinances, state and federal laws in a responsible and professional manner, without regard to race, ethnicity or national origin.

326.02 All enforcement actions, particularly stops of citizens (for traffic and other purposes), investigative detentions, arrests, searches and seizures of persons or property, shall be based on the standards of reasonable suspicion or probable cause as required by the Fourth Amendment to the U. S. Constitution and statutory authority. In all enforcement decisions, officers shall be able to articulate specific facts, circumstances, and conclusions which support probable cause or reasonable suspicion for arrests, searches, seizures, and stops of citizens.

326.03 Officers are strictly prohibited from engaging in racial profiling as defined in this policy. This policy shall be applicable to all persons, whether drivers, passengers, or pedestrians. Officers shall not stop, detain, arrest, search, or attempt to search anyone based solely upon the person's race, sex, sexual orientation, gender, national origin, ethnicity, age, economic status or religion. Officers shall base all such actions on a reasonable suspicion that the person or an occupant of a vehicle committed an offense.

327. Definitions

327.01 Most of the following terms appear in this order. In any case, these terms appear in the larger public discourse about alleged biased enforcement behavior and in other orders. These definitions are intended to facilitate on-going discussion and analysis of our enforcement practices.

a. Bias - Prejudice or partiality which may be based on preconceived ideas, a person's upbringing, culture, experience, or education.

b. Biased policing - Stopping, detaining, searching, or attempting to search, or using force against a person based upon his or her race, sex, sexual orientation, gender, national origin, ethnicity, age, or religion in violation of constitutional safeguards.

c. Ethnicity - A cluster of characteristics which may include race but also cultural characteristics or traits which are shared by a group with a common experience or history.

d. Gender - Unlike sex, a psychological classification based on cultural characteristics or traits.

e. Probable Cause - Facts or apparent facts and circumstances within an officer's knowledge and of which the officer had reasonable, trustworthy information to lead a reasonable person to believe that an offense has been or is being committed, and that the suspect has committed it.

f. Race - A category of people of a particular descent, including Caucasian, African, Hispanic, Asian, Middle Eastern or Native American descent. As distinct from ethnicity, race only refers to physical characteristics sufficiently distinctive to group people under a classification.

g. Racial profiling - A law-enforcement initiated action based on an individual's race, ethnicity, or national origin rather than on the individual's behavior or on information identifying the individual as having engaged in criminal activity.

h. Reasonable suspicion - Articulable, objective facts which lead an experienced officer to suspect that a person has committed, is committing, or may be about to commit a crime. A well-founded suspicion is based on the totality of the circumstances and does not exist unless it can be articulated. Reasonable suspicion supports a stop of a citizen. Courts require that stops based on reasonable suspicion be "objectively reasonable."

i. Sex - A biological classification, male or female, based on physical and genetic characteristics.

j. Stop - The detention of a subject for a brief period of time, based on reasonable suspicion. A stop is investigative detention.

328. General responsibilities

328.01 Officers are prohibited from engaging in racial profiling or stopping, detaining, searching, arresting, or taking any enforcement action including seizure or forfeiture activities, against any person based solely on the person's race, national origin, citizenship, religion, ethnicity, age, gender, color, creed, sexual orientation, disability, economic status, cultural group or any other identifiable group. These characteristics, however, may form part of reasonable suspicion or probable cause when officers are seeking a suspect with one or more of these attributes. Racial profiling pertains to persons who are viewed as suspects or potential suspects of criminal behavior. The term is not relevant as it pertains to witnesses, complainants, or other citizen contacts.

328.02 Reasonable suspicion or probable cause shall form the basis for any enforcement actions or decisions. Citizens shall only be subjected to stops, seizures, or detention upon reasonable suspicion that they have committed, are committing, or are about to commit an offense. Officers shall document the elements of reasonable suspicion and probable cause in appropriate reports.

328.03 Officers shall observe all constitutional safeguards and shall respect the constitutional rights of all citizens.

328.04 As traffic stops furnish a primary source of bias-related complaints, officers shall have a firm understanding of the warrant-less searches allowed by law, particularly the use of consent. How the officer disengages from a traffic stop may be crucial to a citizen's perception of fairness or discrimination.

328.05 Officers shall not use the refusal or lack of cooperation to justify a search of the citizen's person or vehicle or a prolonged detention once reasonable suspicion has been dispelled.

328.06 All personnel shall courteously accept, document, and forward to the Chief of Police any complaints made by citizens against the department. Further, officers shall provide information on the complaint process and shall provide information of "How to Make a Complaint" when appropriate.

328.07 When feasible, personnel shall offer explanations to citizens of the reasons for enforcement actions or other decisions that bear on citizens' well-being unless the explanation would undermine an investigation or jeopardize an officer's safety.

328.08 When feasible, all personnel shall identify themselves by name. When a citizen requests the information, personnel shall give their departmental identification number, name of the immediate supervisor, or any other reasonable information.

328.09 Unless required by law, a citizen's refusal to cooperate or provide information does not create any justification for further enforcement action.

Refusal to sign a summons or failure to obey a lawful order of an officer are examples of exceptions to voluntary cooperation and may require a custodial arrest under some circumstances.

329. Supervisory responsibilities

329.01 Supervisors shall be held accountable for the observance of constitutional safeguards during the performance of their duties. Supervisors shall identify and correct instances of bias in the work of their subordinates.

329.02 Supervisors shall ensure that all enforcement actions are duly documented per departmental policy. Supervisors shall ensure that all reports show adequate documentation of reasonable suspicion and probable cause, if applicable.

329.03 Supervisors shall facilitate the filing of any citizens' complaints about law enforcement service.

330. Disciplinary consequences

330.01 Actions prohibited by this order shall be cause for disciplinary action, up to and including dismissal.

331. Training

331.01 Officers are responsible to adhere to all Texas Commission on Law Enforcement Officer Standards and Education (TCOLE) training and the Law Enforcement Management Institute of Texas (LEMIT) requirements as mandated by law.

331.02 All officers shall complete TCOLE training and education program on racial profiling.

331.03 The Chief of Police, as part of the initial training and continued education for such appointment, will be required to attend the LEMIT program on racial profiling.

332. Complaints

332.01 The department shall accept complaints from any person who believes he or she has been stopped or searched based on racial, ethnic or national origin profiling. No person shall be discouraged, intimidated or coerced from filing a complaint, nor discriminated against because he or she filed such a complaint.

332.02 Any employee who receives an allegation of racial profiling, including the officer who initiated the stop, shall record the person's name, address, and telephone number, and forward the complaint through the appropriate channel or direct the individual(s) to a supervisor. Any employee contacted shall provide to that person a copy of a complaint form or the department process for filing a complaint. All employees will report any allegation of racial profiling to their superior before the end of their shift.

332.03 All complaints of racial profiling by employees of the department will be thoroughly investigated.

332.04 If there is a departmental video or audio recording of the events upon which a complaint of racial profiling is based, upon commencement of an investigation by this department into the complaint and written request of the officer made the subject of the complaint, this department shall promptly provide a copy of the recording or other image(s) to that officer.

333. Public Education

333.01 The department's complaint process and its racial profiling policy will be posted on the department's website.

334. Record Keeping

334.01 An officer who stops a motor vehicle for an alleged violation of a law or ordinance regulating traffic, or who stops a pedestrian for any suspected offense and in the event the driver of the vehicle, or the pedestrian contacted, is issued a citation and/or arrested, the officer shall record and report the following information:

- a. A physical description of each person detained as a result of the stop, including:
- b. the person's sex;

- c. the person's race or ethnicity, as stated by the person or as determined by the officer to the best of his/her ability;
- d. The street address or approximate location of the violation. The suspected offense or the traffic law or ordinance alleged to have been violated.
- e. Whether the officer conducted a search as a result of the stop and, if so, whether the person detained consented to the search;
- f. Whether probable cause to search existed and, if so, the fact(s) supporting the existence of that probable cause;
- g. Whether any contraband was discovered in the course of the search and, if so, the type of contraband discovered;
- h. Whether the officer made an arrest as a result of the stop and/or search and, if so, a statement of the offense charged. Whether the officer issued a warning or a citation as a result of the stop and, if so, a statement of the offense charged.
- i. Officers will record whether or not they could identify the race or ethnicity of the suspect before the person was detained.

334.02

By March of each year, the department shall submit a report to its municipal governing board that includes information gathered by the citations. The report will include:

- a. a breakdown of citations by race or ethnicity;
- b. number of citations that resulted in a search;
- c. number of searches that were consensual; and
- d. number of citations that resulted in custodial arrest for this cited violation or any other violation.

Appendix C

Racial Profiling Laws and Corresponding Standard Operating Procedures

Texas CCP Article	ADDISON POLICE DEPARTMENT POLICY TBBP: 2.01.1
2.132(b)1	Section 326 – Racial Profiling and Bias Reduction
2.132(b)2	Section 328 - General Responsibilities
2.132(b)3	Section 332 - Complaints
2.132(b)4	Section 333 - Public Education
2.132(b)5	Section 330 - Disciplinary Consequences
2.132(b)6	Section 334 - Record Keeping
2.132(b)7	Section 334 - Record Keeping